

EXHIBIT A

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US District Court - New York

**In re Application of David A. Godfrey
and Yukos Finance B.V.**

Video Deposition of:
Robert Foresman
November 30, 2018

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re Application of DAVID A. GODFREY and
YUKOS FINANCE B.V. for an order to conduct
discovery for use in a foreign proceeding
from Robert Foresman,
Petitioners.

Case No. 1:18-mc-00363-LAK

VIDEO DEPOSITION OF
Robert Foresman
November 30, 2018
New York, New York
Lead: Jeffrey Jacobson, Esquire
Firm: Kelley Drye & Warren

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1 * * *
2 New York, New York
3 8:50 a.m.
4 * * *

5 THE VIDEOGRAPHER: Good morning.
6 Here begins media number 1 in the video
7 deposition of Robert Foresman, in the matter of
8 In Re: Application of David A. Godfrey and
9 Yukos Finance B.V.

10 Today's date is November 30, 2018,
11 and the time is 8:50 a.m. This deposition is
12 being taken at the offices of Kelley Drye,
13 101 Park Avenue, New York, New York.

14 I'm Jonathan Popham, videographer,
15 and the court reporter is Jeff Benz, from Jane
16 Rose Reporting, New York, New York.

17 Can we please have the questioning
18 and defending counsel introduce themselves for
19 the record, and please speak slowly for the
20 court reporter.

21 MR. JACOBSON: This is Jeffrey
22 Jacobson, from Kelley Drye & Warren. I will be
23 asking questions today.

24 MR. PEES: And I am Robert Pees, of
25 the law firm Akin Gump, counsel for the

1 Q. So just to refresh your recollection
2 about how this works, from the last time,
3 you're the most important person in the room
4 today. The second most important person in the
5 room is the court reporter, who is taking down
6 everything I say with his magic machine. And
7 he'll be taking down everything you say and
8 Mr. Pees says. And because he can only take
9 down one of us as a time, I will let you finish
10 your answers. It would help if you let me
11 finish my question, because we can't talk over
12 each other, because the court reporter can't do
13 his job if we do that.

14 If at any point you need to take a
15 break -- as I say, you're the most important
16 person in the room. The only thing I ask is
17 that we not take a break while a question is
18 pending. So I ask a question and you answer
19 it, and then we take a break if you need one.

20 If you need anything else during the
21 course of the day, let me know. But so long as
22 we both don't talk over each other and keep our
23 voices up, we'll -- we'll get through this and
24 be done with it as soon as possible.

25 So when I asked if you'd been deposed

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1 witness, Mr. Foresman.

2 THE VIDEOGRAPHER: Okay. Will the
3 court reporter please swear in the witness.

4 ROBERT FORESMAN,
5 called as a witness, having been first
6 duly sworn by Jeffrey Benz, a Notary
7 Public within and for the State of New
8 York, was examined and testified as
9 follows:

10 EXAMINATION BY MR. JACOBSON:

11 Q. Good morning, Mr. Foresman. Would
12 you mind just spelling your name just for the
13 record.

14 A. F-O-R-E-S-M-A-N.

15 Q. And I know that you gave a deposition
16 once before in another Yukos-related matter.
17 Other than that, have you ever given a
18 deposition?

19 A. Deposition?

20 Q. I don't mean -- in a setting like
21 this with a court reporter asking questions in
22 a conference room --

23 MR. PEES: Conference room, testimony
24 under oath in a private civil litigation.

25 A. I -- no, I have not.

1 before and then we had a little colloquy about
2 it, have you given testimony under oath in any
3 other form?

4 MR. PEES: You can answer it yes or
5 no.

6 A. I would say yes.

7 Q. In what other form have you given
8 testimony under oath?

9 MR. PEES: I'm going to caution the
10 witness not to answer that question. If you
11 want to ask him whether it relates to this
12 proceeding, you can do so.

13 And we can go offline, Jeff, at some
14 point if you'd like to.

15 MR. JACOBSON: Well, let me -- let me
16 do this, because I have a feeling I know where
17 this is going.

18 Q. Have you given testimony to a grand
19 jury?

20 MR. PEES: You can answer yes or no.

21 A. Yes.

22 Q. Other than the testimony to a grand
23 jury, have you given testimony under oath? I'm
24 sorry. Other than -- other than your prior
25 deposition and testimony to a grand jury, have

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<p>1 you given any testimony under oath?</p> <p>2 A. I don't believe so, no.</p> <p>3 Q. And in preparation for today's</p> <p>4 deposition, did you review any documents?</p> <p>5 A. Yes, I did.</p> <p>6 Q. Do you remember what documents you</p> <p>7 reviewed?</p> <p>8 A. I --</p> <p>9 MR. PEES: You can answer that yes.</p> <p>10 A. Yes, I do.</p> <p>11 MR. PEES: And, Mr. Jacobson, in the</p> <p>12 interests of time --</p> <p>13 MR. JOHNSON: Sure.</p> <p>14 MR. PEES: -- and efficiency and</p> <p>15 before another question is pending, I wish to</p> <p>16 make a standing objection on the record.</p> <p>17 It's my understanding that</p> <p>18 petitioners have acquired a large volume of</p> <p>19 confidential and, in some instances, privileged</p> <p>20 documents, from Renaissance Capital,</p> <p>21 Mr. Foresman's former employer.</p> <p>22 I understand that counsel for</p> <p>23 petitioners have recently represented in the</p> <p>24 London proceedings that those Renaissance</p> <p>25 Capital documents were obtained legitimately.</p>	<p>1 order and the subpoena to you, that caused the</p> <p>2 deposition today. And we'll mark them Exhibits</p> <p>3 Foresman 1 and Foresman 2. I'm not going to</p> <p>4 ask you any questions about those documents,</p> <p>5 but I just want to have them in the record of</p> <p>6 the proceeding.</p> <p>7 THE COURT REPORTER: Do you have a</p> <p>8 preference for which is which?</p> <p>9 MR. JOHNSON: No.</p> <p>10 ---</p> <p>11 (Foresman Exhibit 1 was marked for</p> <p>12 identification.)</p> <p>13 ---</p> <p>14 ---</p> <p>15 (Foresman Exhibit 2 was marked for</p> <p>16 identification.)</p> <p>17 ---</p> <p>18 MR. PEES: Is the order 1? Just for</p> <p>19 my --</p> <p>20 THE COURT REPORTER: I'll show you.</p> <p>21 MR. PEES: Thank you.</p> <p>22 Q. So what -- during the course of the</p> <p>23 deposition, I'll occasionally mark an exhibit</p> <p>24 like that. Most of the time I'll have</p> <p>25 questions about it. This time I didn't.</p>
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<p>1 But if the Renaissance Capital</p> <p>2 documents were not obtained legitimately,</p> <p>3 whether by espionage, improper inducements,</p> <p>4 threats, or encouraging breaches of legal</p> <p>5 duties owed by Renaissance Capital to its</p> <p>6 business partners or employees, we hereby</p> <p>7 object to their use by the claimants in this</p> <p>8 deposition.</p> <p>9 And on behalf of Mr. Foresman, we</p> <p>10 reserve all of his rights, remedies, and</p> <p>11 privileges, none of which are waived. Now, in</p> <p>12 the interests of efficiency, I do not intend to</p> <p>13 repeat this objection; but it should be viewed</p> <p>14 as a standing objection with respect to the use</p> <p>15 of those Renaissance Capital documents in this</p> <p>16 deposition.</p> <p>17 MR. JACOBSON: So although I disagree</p> <p>18 with the premise of the objection, I accept it</p> <p>19 as a standing objection in this matter. And I</p> <p>20 appreciate that we're going to be able to get</p> <p>21 through the deposition with all of your rights</p> <p>22 reserved.</p> <p>23 MR. PEES: Thank you.</p> <p>24 Q. Just so we have it in it record,</p> <p>25 Mr. Foresman, I'm going to mark the Court's</p>	<p>1 And so what you want to do is hang on</p> <p>2 to it; we'll ask questions about it and then</p> <p>3 keep it in some semblance of order because</p> <p>4 sometimes we might need to refer back to a</p> <p>5 document that we used earlier. But I'll try to</p> <p>6 be as streamlined as possible.</p> <p>7 So you mentioned that you had</p> <p>8 reviewed some documents in preparation for the</p> <p>9 deposition. Do you recall -- and you said you</p> <p>10 recalled which documents you reviewed. What</p> <p>11 documents do you remember reviewing in</p> <p>12 preparation for today?</p> <p>13 A. I reviewed some of the many e-mails</p> <p>14 that the claimants provided with respect to the</p> <p>15 U.K. court matter that were referred to as the</p> <p>16 RenCap cache. Not all of such documents.</p> <p>17 Q. Did you review your prior deposition</p> <p>18 transcript?</p> <p>19 A. I did, yes.</p> <p>20 Q. Did you review any other deposition</p> <p>21 transcripts?</p> <p>22 A. Not other than skimming through some.</p> <p>23 Q. Which ones did you skim through?</p> <p>24 A. Deitz, I believe, and the -- a Lynch</p> <p>25 deposition.</p>

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<p>1 Q. And other than with your attorneys -- 2 and I certainly don't want to know anything you 3 discussed with your attorneys -- did you 4 discuss your testimony today with anybody else? 5 A. The fact of the testimony, yes. 6 Q. With whom? 7 A. With Steven Lynch. 8 Q. Just Mr. Lynch? 9 A. With Richard Deitz. 10 Q. Anyone else? 11 A. And with Robert Reid. 12 And my wife. 13 And Mr. Godfrey. 14 Q. You're currently employed by UBS; is 15 that correct? 16 A. Correct. 17 Q. Does UBS know that you're a defendant 18 in this lawsuit? 19 A. Yes. 20 Q. So does anyone at UBS know that 21 you're testifying here today? 22 A. No. 23 Q. Before UBS hired you, did you 24 disclose the existence of this lawsuit to them? 25 A. I was not a defendant before I was</p>	<p>1 this deposition. If -- if you want to rephrase 2 it to ask him whether he's been questioned by 3 federal agents regarding the circumstances of 4 this deposition, subject matter of it, that 5 would be fine. 6 Q. You've been questioned by federal 7 agents regarding the country of Russia? 8 --- 9 (Instruction Not to Answer.) 10 --- 11 MR. PEES: Again, I think that's 12 broader than merely the subject matter of this 13 litigation. So I'm going to instruct the 14 witness not to answer. And I'm happy to go 15 offline with you at some point during the 16 break, Jeffrey, and explain the nature of my 17 objection. 18 MR. JACOBSON: We want to keep things 19 moving. We'll come back to it, and I am happy 20 to have that conversation. I'm not necessarily 21 going to leave that subject behind, but we'll 22 come back to it. 23 Q. You hold a U.S. passport; is that 24 correct? 25 A. Yes.</p>
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<p>1 hired. So no. 2 Q. And are you registered with FINRA as 3 a broker-dealer? 4 A. I am. 5 Q. Has this lawsuit been disclosed to 6 FINRA? 7 A. It has been deemed not required to, 8 so no. 9 Q. Who deemed it not required? 10 MR. PEES: I would caution you not to 11 reveal any attorney-client communications. And 12 I think the question is -- would capture such 13 communication. 14 MR. JACOBSON: Understood. 15 Q. Have you ever been interviewed by 16 federal agents? 17 A. Yes. 18 Q. What were the circumstances of that? 19 --- 20 (Instruction Not to Answer.) 21 --- 22 MR. PEES: I'm going to object and 23 instruct the witness not -- not to answer. 24 MR. JACOBSON: On what basis? 25 MR. PEES: That it is not relevant to</p>	<p>1 Q. Do you hold any other countries? 2 A. No. 3 Q. And in what city were you born? 4 A. Auburn, New York. 5 Q. And what's your date of birth? 6 A. May 3rd, 1968. 7 Q. So I'm going to try to go through 8 this stuff as quickly as possible. Can you 9 just tell me your educational background since 10 high school? 11 A. Bucknell University. Harvard 12 University Graduate School of Arts and 13 Sciences. 14 Q. Did you spend some time at the Moscow 15 Energy Institute? 16 A. Yeah, as an exchange student. 17 Q. And how would you describe your level 18 of fluency in the Russian language? 19 A. Fluent. 20 Q. And do you read and write as fluently 21 as you speak? 22 A. I don't write very often in Russian 23 or type very often. So no. 24 Reading, I would say yes. 25 Q. And how would you describe your level</p>

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<p>1 of fluency in the Ukrainian language?</p> <p>2 A. I used to be what I would call</p> <p>3 proficient. But that would be very rusty and</p> <p>4 generous today.</p> <p>5 Q. You're away ahead of me, in most</p> <p>6 respects. And I'm pretty impressed that you've</p> <p>7 got two and a half.</p> <p>8 And then I'm going to try to go</p> <p>9 through your employment background as quickly</p> <p>10 as possible as well. Was your first job</p> <p>11 after -- after university for the International</p> <p>12 Financing Corporation?</p> <p>13 A. Correct.</p> <p>14 Q. And is it fair to describe that</p> <p>15 organization as the private sector arm of the</p> <p>16 World Bank?</p> <p>17 A. Yes.</p> <p>18 Q. And when did you work there?</p> <p>19 A. From summer of '93, I believe June,</p> <p>20 through -- until July, I believe, two thou- --</p> <p>21 sorry, 1997.</p> <p>22 Q. So going back to your education, at</p> <p>23 some point you earned a master's degree in</p> <p>24 Soviet studies from Harvard; is that correct?</p> <p>25 A. Yes. The exact term was regional</p>	<p>1 Ukraine, for the -- for ING Barings bank.</p> <p>2 Q. I suspect I know the answer to this</p> <p>3 question, but where were you based in that</p> <p>4 role?</p> <p>5 A. In Kiev -- in Kiev for that specific</p> <p>6 role.</p> <p>7 Q. And then did you -- did you</p> <p>8 subsequently change roles for that company?</p> <p>9 A. Yes.</p> <p>10 Q. And what was your -- your next role?</p> <p>11 A. My next role was head of corporate</p> <p>12 finance for Russia/CIS based in Moscow for</p> <p>13 ING Barings.</p> <p>14 Q. And how long did you stay with</p> <p>15 ING Barings?</p> <p>16 A. Until the end of 2000.</p> <p>17 Q. And where did you go next?</p> <p>18 A. I went to Dresdner Kleinwort Benson</p> <p>19 and then Dresdner Kleinwort Wasserstein.</p> <p>20 Q. Just for the court reporter's aid,</p> <p>21 Dresdner is D-R-E-S-D-N-E-R and Kleinwort is</p> <p>22 K-L-E-I-N-W-O-R-T; is that right?</p> <p>23 A. And Wasserstein is --</p> <p>24 Q. That one, I think -- I figured that</p> <p>25 one is a little easier for the court reporter,</p>
Page 18	Page 20
<p>1 studies, Russia, Eastern Europe, Central Asia.</p> <p>2 Q. And when did you get that degree?</p> <p>3 A. In 1993, June.</p> <p>4 Q. And when you worked for the</p> <p>5 International Finance Corporation, where were</p> <p>6 you based?</p> <p>7 A. I was based first in Kiev, Ukraine.</p> <p>8 And then in Washington, D.C.</p> <p>9 Q. And what was your role for that</p> <p>10 company?</p> <p>11 A. I would describe it as an</p> <p>12 organization, as opposed to a company.</p> <p>13 Q. Sure.</p> <p>14 A. I was -- my first role was as a</p> <p>15 consultant, for the Ukraine small-scale</p> <p>16 privatization project.</p> <p>17 And after six months, I was the</p> <p>18 project head, for such -- U.S.</p> <p>19 government-funded project.</p> <p>20 And then I was in Washington, D.C.,</p> <p>21 as -- what IFC calls an investment officer.</p> <p>22 Q. And what was your next job after you</p> <p>23 left the International Finance Corporation in</p> <p>24 1997?</p> <p>25 A. Head of corporate finance for</p>	<p>1 but it's W-A-S-S-E-R-S-T-E-I-N.</p> <p>2 And where were you based when you</p> <p>3 worked for Dresdner?</p> <p>4 A. In Moscow.</p> <p>5 Q. And what was your role there?</p> <p>6 A. My role was as CEO of -- or chairman</p> <p>7 of the management committee, of the investment</p> <p>8 banking arm of Dresdner, which was Dresdner</p> <p>9 Kleinwort Wasserstein.</p> <p>10 Q. And how long were you at that</p> <p>11 company?</p> <p>12 A. I was there until summer of 2006. I</p> <p>13 believe my leave period ended at the end of</p> <p>14 July 2006.</p> <p>15 Q. So by this point, you've been out of</p> <p>16 school about 13 years. Is that about right?</p> <p>17 A. That's about right, yes, out of</p> <p>18 graduate school.</p> <p>19 Q. Right. And then so of those 13</p> <p>20 years, how many of those years were you based</p> <p>21 in Moscow?</p> <p>22 A. Sorry. Until 19 -- until 2006?</p> <p>23 Q. Through -- right. Through the end</p> <p>24 of -- through the end of your time at Dresdner.</p> <p>25 A. So I was three months in 1989 as a</p>

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1 student. I was about a month and a half in the
2 summer of '91.
3 And I was in Moscow from, I believe,
4 August, 1999, until -- well, through that
5 period, yeah.
6 Q. So about -- grand total of about
7 eight years?
8 A. Sounds about right.
9 Q. So I realize this may be a question
10 with a complex answer. But why did you choose
11 Moscow as a place to base your professional
12 life to this point?
13 A. I, from a young age, felt a calling
14 to be a peacemaker between the United States
15 and the Soviet Union and then Russia.
16 Q. And then after you left Dresdner,
17 what was your next job?
18 A. As deputy chairman of Renaissance
19 Capital investment bank.
20 Q. So was there a leave period between
21 Dresdner and what I'll call RenCap?
22 A. Yes.
23 Q. And how long was that leave period?
24 A. I -- I -- I don't -- I don't recall.
25 One month, maybe -- month and a half.

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1 Less than two months, I believe.
2 Q. And when you joined RenCap, were you
3 also based in Moscow?
4 A. Yes.
5 Q. And how long were you at RenCap?
6 A. I was at RenCap from, I believe,
7 August 2006 until my leave period ended,
8 November 30, 2009.
9 Q. And you then joined Barclays Bank?
10 A. Correct.
11 Q. And where were you based in your job
12 for Barclays?
13 A. In Moscow and then New York.
14 Q. When did you shift to New York?
15 A. I -- so my family moved back to
16 New York in the summer of 2013. And from -- in
17 the fall of 2013, I spent about a week a month
18 in New York, three weeks in Moscow. And then
19 from the beginning of 2014, the reverse. So
20 about three weeks in New York and about a week
21 in Moscow.
22 Q. What was your role at Barclays Bank?
23 A. Barclays Group country head for
24 Russia and the broader region.
25 Q. And how long did you hold that job?

Page 23

1 A. For the entirety of my time at
2 Barclays, which was December 1st, as I recall,
3 December 1st, 2009, until my termination period
4 concluded with Barclays in, I believe,
5 May 2016.
6 Q. And your current employer is
7 UBS Securities? Is that an accurate -- how --
8 how do we refer to your UBS entity that employs
9 you, is the best way.
10 A. I'm a New York-based -- I have a
11 contract from UBS Securities in New York. I
12 have a -- a -- yeah, that's the -- the legal
13 entity of which I'm -- by which I'm employed.
14 Q. And you started that job in
15 July 2016? Is that correct?
16 A. No. I -- sorry. No. I started that
17 job the beginning of October, I believe
18 October 2nd, whatever the Monday was, 2016.
19 Q. And what's your title at UBS?
20 A. I've -- more than one title, my -- I
21 have -- my main title is vice chairman of the
22 investment bank of UBS. And --
23 Q. Sure. Please finish. Go ahead.
24 A. I'm sorry. And that was from the
25 day 1 of my employment there.

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1 And then as of the end of 2018 or the
2 beginning of 2018, I was given an additional
3 title as the UBS group country head for Russia
4 and the broader region and chairman of UBS bank
5 in Russia.
6 Q. So what's the best way to summarize
7 your role at UBS with those various hats?
8 A. Not to.
9 I'm sorry.
10 Q. No -- I want to --
11 A. It's -- yeah. It's -- it's -- so my
12 first role is considered a global role, as vice
13 chairman of the investment bank.
14 I work across the investment bank and
15 with the public and the private sides.
16 Most of what I do specific to that
17 role is based -- is focused on the U.S., mainly
18 investment banking, also collaboration with our
19 wealth management platform. And most of those
20 clients are U.S.
21 And I -- my -- my other two roles as
22 group country head for Russia and the broader
23 region and as chairman of our bank in Russia is
24 specific to that region where I oversee the
25 group business, which is primarily investment

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<p>1 banking a wealth management for the region. 2 Q. Do you maintain a residence in 3 Russia? 4 A. No, I do not. 5 Q. So I don't want to replot too much 6 ground from the prior deposition. But while -- 7 going back to your time at Dresdner, did you 8 report to a gentleman named Matthias Warnig, 9 W-A-R-N-I-G? 10 A. I -- I had a dual report into 11 Mr. Warnig, yes. 12 Q. Who -- who was the other person to 13 whom you reported? 14 A. In the London-based head of corporate 15 finance. 16 Q. And did you know Mr. -- you're 17 pronouncing it better than I do. I apologize 18 for that. 19 A. "Warnig." 20 Q. Did you know Mr. Warnig's background 21 before he joined Dresdner? 22 A. I knew some of his background. 23 Q. Can you describe that which you knew 24 of his background? 25 A. Could you repeat the first part of</p>	<p>1 background before Mr. Warnig joined Dresdner. 2 MR. PEES: Thank you. That was the 3 confusion. 4 A. What I know today? 5 Q. Yes. 6 A. What I know from him, I don't know 7 from other people, that I can recall, that he 8 is East German and had worked in the Stasi, the 9 East German secret police. And then in -- I 10 think the trade ministry or commerce ministry 11 in the unified Germany, where he had some 12 involvement with Russia. 13 Q. And so Mr. Warnig left Dresdner in 14 2006; is that correct? 15 A. I can't recall. I can't recall when 16 he -- when he left. He -- may have been 2005; 17 it may have been 2006. He left full-time 18 employment, as I recall, at Dresdner but 19 remained either chairman or senior advisor. I 20 can't recall when he entirely left Dresdner. 21 It was after my time. 22 Q. Do you remember -- do you know what 23 position he took after he left Dresdner? 24 A. He took the position as general 25 director of Nord Stream.</p>
Page 26	Page 28
<p>1 your question. 2 Q. Sure. I said -- you can only tell me 3 what you knew, but you said you knew some of 4 his background. So can you tell me what you 5 knew of his background. 6 A. I'm sorry. When? Did you -- 7 Q. Before he joined Dresdner. 8 A. Before he joined Dresdner? 9 Q. Before he joined Dresdner, 10 Mr. Warnig. 11 A. Oh, sorry. Okay. Did I -- 12 Q. I asked you, did you know of his 13 background before he joined Dresdner? 14 A. Can I ask a clarifying question? 15 Q. Yeah. 16 MR. PEES: Maybe I can clarify. 17 There's some confusion over the timing. 18 In other words, are you asking him of 19 his knowledge, at the time he, Bob Foresman, 20 joined Dresdner, of the background of 21 Mr. Warnig? 22 MR. JACOBSON: No. I'm asking what 23 Mr. Foresman knows sitting here today -- 24 MR. PEES: Oh, okay. Okay. 25 MR. JACOBSON: -- of Mr. Warnig's</p>	<p>1 Q. That's N-O-R-D, and then new word 2 Stream, like the stream. 3 A. Correct. Nord Stream, N-O-R-D. 4 Q. And do you know what Nord Stream 5 does? 6 A. Yes. 7 Q. What does it do? 8 A. It built and brings Russian natural 9 gas through a pipeline along the seabed of the 10 Baltic Sea from Vyborg, V-Y-B-O-R-G, Russia, 11 into Germany and then beyond. 12 Q. And are you aware of whether 13 Mr. Warnig is also on the board of a company 14 called Transneft? 15 A. I was aware that he was on the board 16 of Transneft. I'm not entirely sure if he's 17 still on the board. I believe he may be. 18 Q. And does Mr. Warnig also have a 19 position with the company Rosneft, 20 R-O-S-N-E-F-T? 21 A. I believe he's on the board of 22 directors of Rosneft. 23 Q. Is he the deputy chairman of Rosneft? 24 A. I believe so. 25 Q. Did Mr. Warnig's departure from</p>

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<p>1 Dresdner have any correlation to your departure 2 from Dresdner? 3 A. Not that I can recall, because I 4 can't -- well, I can't recall whether he 5 stepped down from a permanent role at Dresdner 6 while I was still there. I believe he had -- 7 was still in a permanent role when I left. So 8 I believe the answer is no. 9 Q. So let me ask this way: Did you 10 discuss your departure from Dresdner with 11 Mr. Warnig? 12 A. Before I -- 13 Q. Before you departed? 14 A. Yes, I did. 15 Q. And did he give you any advice on 16 what your next move should be? 17 A. No. 18 I informed him, I should say. 19 Q. And after you and Mr. Warnig both 20 left Dresdner, did you keep in touch with him? 21 A. Yes. 22 Q. So speaking only of the year 2007, 23 which is the year after you left Dresdner, how 24 often would you say you spoke with Mr. Warnig 25 in 2007?</p>	<p>1 your appointment at UBS. 2 Are you aware of a memo written by 3 Ms. Orcel about your appointment? 4 A. It's "Andrea." 5 Q. Oh, sorry. 6 A. That's okay. He gets that a lot. 7 He's Italian. 8 Q. My apologies. 9 A. That's okay. 10 There was, I think what UBS would 11 call an internal announcement. Not a memo but 12 an internal announcement about my hiring. 13 Q. Did you have any role in preparing 14 that memorandum? 15 A. I don't recall that I did. I may 16 have seen a draft. I don't recall. 17 Q. So there's a heading about 18 three-quarters of the way down the first page 19 that says "power player." And it says there 20 that you maintain connections to the inner 21 circle surrounding Russian President Vladimir 22 Putin. 23 I'll stop there. 24 What connections to the inner circle 25 surrounding President Putin do you maintain?</p>
Page 30	Page 32
<p>1 A. In 2007 -- frequently. 2 Q. And then just to compare that to over 3 the past year, before today, how -- how often 4 do you speak to Mr. Warnig over the past year? 5 A. Less frequently but regularly. 6 Q. Okay. 7 I'm going to mark the first -- 8 A. We're in different locations now. 9 Q. Understood. 10 I'm going to mark an exhibit for you. 11 MR. JACOBSON: Foresman 3. 12 --- 13 (Foresman Exhibit 3 was marked for 14 identification.) 15 --- 16 Q. Mr. Foresman, I'm just showing you a 17 news article from 29th of September, 2016. The 18 first question I'm going to ask and then I'll 19 give you a chance to read it is, have you seen 20 this before? 21 A. Yes, I've seen this. 22 Q. Okay. 23 So the first paragraph of this 24 article describes a -- a -- a memorandum, that 25 I think was written by Andrea Orcel, describing</p>	<p>1 A. For -- for the record, this is not 2 the internal announcement. This is a news 3 article. 4 Q. I completely agree. So -- but -- I 5 mean, is it -- well, let me -- let me -- I'll 6 back up, then. Would you say that it's fair to 7 describe you as someone who maintains ties to 8 the inner circle surrounding President Putin? 9 A. I wouldn't use that phrase. But I 10 don't know that it would be unfair. It's a -- 11 it's a vernacular phrase. 12 Q. So understanding that there may be 13 some unfairness in the term, who would you 14 describe as your closest connections to 15 president Vladimir Putin? 16 A. Mr. Warnig. 17 Q. Anyone else? 18 A. As my closest connection, no. 19 Q. And what's your understanding of the 20 relationship between Mr. Warnig and 21 President Putin? 22 A. Friendly. 23 Q. Say very friendly or just friendly? 24 A. I'm -- friendly. 25 I -- could you clarify? I'm not sure</p>

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<p>1 what very friendly -- I would say friendly 2 relationship. 3 Q. So I could show you a -- I might, if 4 you want me to, a New York Times article from 5 2014 that describes Mr. Warnig as one of only 6 six people in President Putin's inner circle. 7 I mean, would you -- would you agree with that 8 characterization of Mr. Warnig's friendship 9 with President Putin? 10 A. I would say it's a close 11 relationship, friendly relationship. 12 Q. When you worked for RenCap, did 13 RenCap compensate Mr. Warnig in any way? 14 A. Yes. 15 Q. And how did it compensate Mr. Warnig? 16 A. It compensated Mr. Warnig, as I 17 recall, for a short period of time as a 18 consultant or senior advisor, a consultant. 19 Q. Has UBS compensated Mr. Warnig in any 20 way? 21 A. No. 22 Q. I'll go through some of these 23 questions very quickly. 24 Have you met President Putin 25 yourself?</p>	<p>1 Q. And do you have a relationship with 2 Andrey Akimov, A-K-I-M-O-V, the chairman of 3 Gazprombank? 4 A. Not currently. 5 Q. Have you met him before? 6 A. Yes. 7 Q. How many times would you say? 8 A. Maybe a dozen. 9 Q. Do you recall during about what 10 period of time? 11 A. During my Dresdner years, and -- I 12 can't recall if I met him during my RenCap 13 years, maybe -- maybe once or twice. 14 Q. And then just going back to 15 Mr. Sechin for a minute, do you recall why you 16 met him in 2008, the circumstances of that 17 meeting? 18 A. Yes. 19 Q. What are those circumstances? 20 A. I was invited to join him for a 21 dinner. And I recall that we discussed a 22 proposal from Mr. Godfrey about Rosneft 23 acquiring some -- or about RenCap brokering 24 some agreement between Mr. Godfrey's entities 25 and Rosneft -- or, sorry, yes, about some</p>
Page 34	Page 36
<p>1 A. No. 2 Q. Have you met Dmitry Medvedev? 3 A. Yes. 4 Q. How many times? 5 A. I think twice. 6 Not as president -- or prime 7 minister. 8 Q. Oh. Do you recall when you met him? 9 A. I -- it was -- I recall it was in 10 2001, '2, or '3. 11 Q. And have you met Igor Sechin, 12 S-E-C-H-I-N? 13 A. Yes. 14 Q. And how many times have you met 15 Mr. Sechin? 16 A. Twice, including at a reception. 17 Q. Do you recall when those meetings 18 occurred? 19 A. The reception was an IPO Rosneft 20 closing reception, so I believe in the 21 summer/fall, maybe, of 2006. 22 Q. And the other time you met him, was 23 it before or after that? 24 A. It was after that. I believe it was 25 2008, I believe.</p>	<p>1 claims against Rosneft that some of 2 Mr. Godfrey's structures had. 3 THE COURT REPORTER: I'm sorry. Some 4 of Mr. Godfrey's what? 5 THE WITNESS: Structures. 6 THE COURT REPORTER: Structures had? 7 THE WITNESS: Structures -- 8 structures had. 9 THE COURT REPORTER: Thank you. 10 THE WITNESS: Sorry. 11 Q. And have you met a gentleman Nikolai 12 Borisenko, B-O-R-I-S-E-N-K-O? 13 A. I had met him. 14 Q. How many times have you met him? 15 A. I don't recall. Maybe four or five. 16 Q. Do you remember during what period of 17 time? 18 A. I recall this would have been -- 19 leading up to the Rosneft IPO, so 2006, maybe 20 2005, and maybe 2007 with RenCap. I don't 21 recall. 22 Q. And is he -- was he then the vice 23 president of Rosneft? 24 A. I recall, yes. 25 Q. I'm almost done with these "Who do</p>

<p style="text-align: right;">Page 37</p> <p>1 you know?" questions. 2 Alexander Ryazanov, R-Y-A-Z-A-N-O-V? 3 A. "Ryazanov." It rings -- it rings a 4 bell, but -- 5 Q. Is he a former president of 6 Gazprom Neft? 7 A. I can't -- I can't recall. He may 8 have been. The name rings a bell. I don't 9 recall if I've met him or -- 10 Q. And how about Sergei Gorkov? 11 A. Sergei Gorkov? 12 Q. Do you know a gentleman named Sergei 13 Gorkov? 14 A. I've met a gentleman named Sergei 15 Gorkov. 16 Q. How many times? 17 A. Once. 18 Q. Do you recall when? 19 A. Sorry. I believe only once. 20 Yes, I do. 21 Q. And what are those circumstances? 22 A. Those circumstances were -- I'd 23 actually like to consult with counsel on that. 24 Or -- 25 MR. PEES: Is this a --</p>	<p style="text-align: right;">Page 39</p> <p>1 recall the circumstances in which he met the 2 man. 3 THE WITNESS: Yes. I'm sorry. 4 MR. JACOBSON: And so I will -- you 5 know, I will -- you can let me know if he can 6 answer that question. And then we can also -- 7 MR. PEES: Got it. Got it. 8 MR. JACOBSON: -- figure out how far 9 I can delve into that. 10 MR. PEES: Yes. 11 MR. JACOBSON: We can build it out. 12 THE WITNESS: Okay. 13 Q. So speaking of your career, kind of 14 starting at Dresdner and then through 15 Renaissance and Barclays, it's fair to say that 16 you had a number of Russian oil companies as 17 clients? Is that correct? 18 A. Correct. 19 Q. Was Yukos a client? 20 A. Yes. 21 Q. Gazprom Neft? 22 A. Yes. 23 Q. Lukoil? 24 A. Yes. 25 Q. Rosneft?</p>
<p style="text-align: right;">Page 38</p> <p>1 THE WITNESS: It relates to something 2 that -- that -- 3 MR. PEES: Does it relate to 4 something for which my firm has rendered you 5 legal advice? 6 THE WITNESS: No. 7 MR. PEES: So it's -- this is 8 obviously an area that touches upon some 9 sensitivity for Mr. Foresman, and he would like 10 to consult counsel. I understand there's a 11 question pending and the rules of the road for 12 that, Mr. Jacobson. But I would like your 13 indulgence in this one instance. 14 MR. JACOBSON: I'll tell you what. 15 I'll withdraw the question for now. We'll come 16 back to it. If it's okay with you, I want to 17 go another ten minutes or so; then we can take 18 a break. 19 MR. PEES: Okay. 20 MR. JACOBSON: We can come back to 21 it. 22 MR. PEES: I just want to be very 23 mindful of privilege issues and other issues. 24 MR. JACOBSON: No. Of course. Just 25 for later, the question was simply does he</p>	<p style="text-align: right;">Page 40</p> <p>1 A. Yes. 2 Q. Novatek? 3 A. Yes. 4 Q. RussNeft, R-U-S-S-N-E-F-T? 5 A. We pitched them. I don't recall 6 whether I executed a transaction for them. But 7 it would have been a company that from time to 8 time we sought business from. 9 Q. So I probably should have asked you 10 to list them before I did. So we have done 11 Yukos, Gazprom Neft, Lukoil, Rosneft, Novatek, 12 maybe RussNeft. Any other Russian oil 13 companies that you had as clients? 14 A. TNKBP. Yes. 15 THE COURT REPORTER: I'm sorry. Say 16 it again. 17 THE WITNESS: Sorry. 18 A. Yes. 19 Q. And what are they? 20 A. TNKBP. 21 Gosh, it's changed a lot. There's 22 been a lot of... 23 Gazprom. In addition to Gazprom 24 Neft, which you mentioned. 25 Q. Yes.</p>

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<p>1 A. BaiTex, B-A-I-T-E-X, which is an 2 American company. And I'm sure a number of 3 smaller companies that I -- if you were to give 4 me time and desire such, I could probably come 5 up with. 6 Q. And then you had a number of foreign 7 oil companies as clients that did business in 8 Russia; is that correct? 9 A. That's correct. 10 Q. And one of them was BP? 11 A. Correct. 12 Q. And what other foreign -- large 13 foreign oil companies? 14 A. Chevron, Texaco, Repsol, my -- not 15 necessarily my relationship, but my firm's. 16 Statoil. Sinopec. 17 Unocal. And I would have to -- 18 Q. Yeah, suffice it to say you had a 19 number of -- 20 A. Yes. 21 Q. -- oil companies as clients. 22 So I -- the last questions that I 23 want to ask -- and it's a series, but I want to 24 give you an overview so you know where I'm 25 headed. And then we can -- then we can take a</p>	<p>1 Andrey Kruglov, K-R-U-G-L-O-V, who 2 then was the head of corporate finance, and 3 then the CFO. I think now maybe he's deputy 4 CEO. 5 Mikhail or "Mikhail" Sereda, which is 6 S-E-R-E-D-A, was on the board of directors and 7 was head of administration or chief of staff, I 8 guess, for Gazprom. 9 Keep going? 10 Q. A couple more. The point is a great 11 many members of senior leadership; would that 12 be fair? 13 A. Many, many. Yeah. 14 Q. And then let's -- same question about 15 Rosneft. So how did you first come to work 16 with Rosneft? 17 A. When did I first -- I don't recall 18 whether at ING Barings I had met with Rosneft. 19 I may have. 20 But at Dresdner, we did -- at 21 Dresdner, we led what I believe was their first 22 bond issue, eurobond issue, in, I believe it 23 was the fall of 2002. 24 Or maybe it was 2001. 2001 or 2002. 25 And -- I'm sorry. Could you repeat your</p>
Page 42	Page 44
<p>1 little break. 2 I want to ask you about how you 3 developed your relationships with Gazprom on 4 the one hand and Rosneft on the other. 5 A. Uh-huh. 6 Q. So I'm going to ask you how you 7 developed your relationships, who you were in 8 touch with. 9 So we'll start with Gazprom. So how 10 did you develop the relationship with 11 Gazprom that led them -- led them to become 12 your client and then as you served them? 13 A. So at first, developed a relationship 14 with Gazprom when I was at ING Barings. 15 In, I believe, 1999. 16 I think having to do with some of the 17 debt that Ukraine owed to Gazprom, I think. 18 And to pitch for business from ING Barings, on 19 behalf of ING Barings to Gazprom. 20 Q. And then over time, who would, among 21 the senior leadership at Gazprom, did you come 22 to know? 23 A. While at ING Barings or -- 24 Q. No. During your -- 25 A. Alexey Miller was the CEO. Today.</p>	<p>1 question? 2 Q. No. I was -- I didn't -- I asked an 3 open-ended question. So I'll shift it to 4 over -- again, over the course of time, 5 speaking only of the senior leadership of 6 Rosneft, who -- who would you say are your -- 7 are your main contacts? I'll start with now. 8 And then if you just -- I'm going to ask it a 9 little bit open-ended, if you can sort of go 10 back in time to the sort of 2007 timeframe that 11 we're going to be spending a lot of time on. 12 A. Okay. So now? Starting with now? 13 Q. Now and then -- 14 A. So now I would say Pavel Federov, 15 which is not how it sounds. F-E-D-E-R-O-V. 16 And he is, I believe, first deputy 17 CEO of Rosneft today. 18 No other current relationships that I 19 can -- 20 Q. Okay. 21 A. -- think of or would -- 22 Q. And then in 2007, who were you 23 dealing with at Rosneft? 24 A. So in 2007, I was dealing with Peter 25 O'Brien, who was -- I think his title was vice</p>

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<p>1 president of finance and -- and strategy, I 2 think. 3 Sergei Bogdanchikov, 4 B-O-G-D-A-N-C-H-I-K-O-V. And he was the 5 president of Rosneft. 6 A few meetings with Mr. Borisenko to 7 whom you referenced. 8 Sergei Kudryashov, 9 K-U-D-R-Y-A-S-H-O-V, I believe, was his name. 10 And he was head of production. 11 We're talking about 2007? 12 Q. '7. 13 A. I believe at that -- so Sergei 14 Alexeev would have left. I think those were 15 the main relationships. 16 MR. JACOBSON: Okay. This is the 17 point where I apologize to the court reporter, 18 both in the past and in advance for all of 19 these Russian spellings. It's as rough for me 20 as it is for you. 21 A. I'll help. 22 Q. And I'm very grateful for it. 23 MR. JACOBSON: Mr. Pees, why don't we 24 take a five-minute break. 25 MR. PEES: Excellent.</p>	<p>1 So my suggestion to you, and -- is 2 that the question be reframed. Let's just 3 establish the timing of it first. 4 MR. JACOBSON: That's what I was 5 going to do next. 6 MR. PEES: And then -- then we can 7 take it one step at a time. 8 Q. So is it only -- is it only one 9 meeting with Mr. Gorkov or multiple meetings? 10 A. I believe it was only one meeting. 11 Q. And what was the approximate 12 timeframe of that meeting? 13 A. 2016. 14 Q. 2016. Do you recall in what month of 15 2016? 16 A. Yes. 17 Q. What month was that? 18 A. December. 19 Q. December of 2016. 20 MR. JACOBSON: Just waiting for my 21 colleague to come back who has more copies of 22 this, but I'll mark this for now. 23 --- 24 (Foresman Exhibit 4 was marked for 25 identification.)</p>
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<p>1 MR. JACOBSON: We've been going about 2 an hour. It's a good time for a -- 3 THE WITNESS: Thank you. 4 THE VIDEOGRAPHER: We're going off 5 the record at 9:35 a.m. 6 (Recess from 10:26 to 10:35.) 7 THE VIDEOGRAPHER: We are back on the 8 record at 9:46 a.m. 9 Q. So, Mr. Foresman, before we took a 10 break, I had asked you the circumstances -- I 11 had asked you, first, if you had met a 12 gentleman named Sergei Gorkov. And you wanted 13 to consult with counsel, so I'm now going to 14 try again. 15 Have you met with a gentleman named 16 Sergei Gorkov? 17 A. Yes. 18 Q. And what were the circumstances of 19 that meeting? 20 MR. PEES: Could you -- that's an 21 open-ended question. And Mr. Foresman has 22 received advice from another law firm in 23 connection with that meeting. And I don't want 24 to invade the privilege inadvertently with such 25 an open-ended question.</p>	<p>1 --- 2 MR. PEES: Mr. Jacobson, just to 3 speed things along, I would note that the 4 document that's just been marked as Exhibit 4 5 is a letter from the -- a ranking member of the 6 United States Senate Committee on Judiciary 7 regarding, among other things, the committee's 8 investigation of Russian interference in the 9 2016 presidential election. 10 It's our view that this is beyond the 11 scope of the subject matter of the underlying 12 English proceedings and the events that took 13 place in connection with the Yukos auction in 14 2007. 15 And I'll be instructing Mr. Foresman 16 not to be answering any questions on this 17 topic. And I understand you can certainly 18 reserve your rights to make an application to 19 the Court, but he will not be answering 20 questions on that topic. 21 Q. Mr. Foresman, did you engage counsel 22 to assist you in responding to this letter from 23 the Senate judiciary committee? 24 A. Yes. 25 Q. What counsel did you engage?</p>

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<p>1 I'm just asking --</p> <p>2 A. Yeah. No. I know.</p> <p>3 Q. I want to be very clear. I'm not</p> <p>4 going to be asking you about the substance of</p> <p>5 advice you received.</p> <p>6 A. I believe it was Gibson Dunn.</p> <p>7 Q. Did you produce any documents in</p> <p>8 response to this letter?</p> <p>9 MR. PEES: Objection. I'm</p> <p>10 instructing the witness not to answer for the</p> <p>11 reasons I set forth earlier.</p> <p>12 ---</p> <p>13 (Instruction Not to Answer.)</p> <p>14 ---</p> <p>15 MR. JACOBSON: You're not going to</p> <p>16 let him answer whether he produced any</p> <p>17 documents in response to this letter?</p> <p>18 MR. PEES: That's correct. And if,</p> <p>19 absent some sort of connection between the</p> <p>20 subject matter of English proceedings and the</p> <p>21 Senate's investigation into Russian</p> <p>22 interference in the 2016 U.S. presidential</p> <p>23 election, I don't intend to allow Mr. Foresman</p> <p>24 to go down this road at all.</p> <p>25 MR. JACOBSON: I suspect we'll be --</p>	<p>1 A. Yes.</p> <p>2 (A cell phone ringing.)</p> <p>3 MR. PEES: My apologies.</p> <p>4 MR. JACOBSON: Of course.</p> <p>5 Q. Over the years, how many times would</p> <p>6 you say you've had conversations with personnel</p> <p>7 at the U.S. embassy in Moscow?</p> <p>8 A. Dozens. Or more.</p> <p>9 Q. Have you met the -- whoever it may be</p> <p>10 from time to time -- the United States</p> <p>11 ambassador to Russia?</p> <p>12 A. Yes.</p> <p>13 Q. How many times have you personally</p> <p>14 interacted with the actual ambassador to</p> <p>15 Russia?</p> <p>16 A. The current ambassador or --</p> <p>17 Q. No. Over time. Whoever was in the</p> <p>18 role at the time.</p> <p>19 A. Numerous. Many.</p> <p>20 Q. So I want to show you a WikiLeaks</p> <p>21 cable.</p> <p>22 ---</p> <p>23 (Foresman Exhibit 5 was marked for</p> <p>24 identification.)</p> <p>25 ---</p>
Page 50	Page 52
<p>1 we reserve our rights, and I suspect we'll be</p> <p>2 seeing Mr. Foresman again at another -- at</p> <p>3 another table much like this one in due course</p> <p>4 under that circumstance.</p> <p>5 MR. PEES: We'll take it one step at</p> <p>6 a time, Mr. Jacobson.</p> <p>7 Q. So with regard to Igor Sechin, who</p> <p>8 you said you met twice, did you have any other</p> <p>9 sources of information about Mr. Sechin? It's</p> <p>10 not beyond your meetings with him?</p> <p>11 A. Sorry. Could you clarify -- any</p> <p>12 other source of information?</p> <p>13 Q. Sure. So, in other words, other than</p> <p>14 your -- other than your personal interactions</p> <p>15 with Mr. Sechin, did you have any other sources</p> <p>16 of knowledge about Mr. Sechin?</p> <p>17 A. Yes.</p> <p>18 Q. And what were those sources?</p> <p>19 A. The media. Acquaintances that --</p> <p>20 that knew of him. And whether -- with respect</p> <p>21 to his government work or with respect to his</p> <p>22 commercial work.</p> <p>23 Q. From time to time, Mr. Foresman, have</p> <p>24 you had conversations with personnel at the</p> <p>25 United States embassy in Russia?</p>	<p>1 Q. So I would ask you when you have a</p> <p>2 chance to turn to the second page of this</p> <p>3 document.</p> <p>4 And particularly, paragraph 6.</p> <p>5 Do you recall having a conversation</p> <p>6 with a someone at the United States embassy</p> <p>7 about Igor Sechin?</p> <p>8 A. Yes.</p> <p>9 Q. And can you take a look at</p> <p>10 paragraph 6 and read it over, and I'm going to</p> <p>11 ask you if that generally comports with your</p> <p>12 recollection of what you told the person at the</p> <p>13 embassy about Mr. Sechin.</p> <p>14 A. Sorry -- what -- can you repeat the</p> <p>15 question. Could you repeat the question.</p> <p>16 Q. I said, does paragraph 6 comport with</p> <p>17 your recollection of what you told an embassy</p> <p>18 official about Mr. Sechin?</p> <p>19 A. Not entirely.</p> <p>20 Q. In what respects does it not match</p> <p>21 your recollection?</p> <p>22 A. I would not have said that I worked</p> <p>23 with Sechin over many years. No.</p> <p>24 Otherwise, it looks -- it looks</p> <p>25 broadly familiar and accurate.</p>

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<p>1 Q. Did you -- did you describe 2 Mr. Sechin as incredibly hard-working? 3 A. I don't recall what I described him 4 at as a specific -- him as at a specific 5 meeting, but I don't dispute that I would have 6 referred to him that way. 7 Q. And that he was always in the office? 8 A. Sounds familiar. 9 Q. And is this -- how did you come to 10 gain the knowledge that you passed on to the 11 embassy about a gentleman you met twice? 12 A. The specific reference that I gave, 13 about doormen, drivers, guards, et cetera, was 14 specific to the dinner, which I had had with -- 15 the one dinner I had had with him where the 16 waiter, who must have known who Mr. Sechin was, 17 was a bit nervous, and he dropped a plate and 18 was very panicked. And Mr. Sechin picked up 19 the plate and told him not to worry about it. 20 That was the one reference. 21 The -- as often was the case when I 22 met with people from our government, I would 23 share my views that were not necessarily 24 firsthand views, briefings, from what I had 25 picked up as a person deeply familiar with the</p>	<p>1 worked for Yukos? 2 A. I don't know that. I did not know 3 that, to the best of my recollection. If we're 4 talking about the same Sergei Gorkov who was 5 with the state development bank, I don't recall 6 his name associated with Yukos. 7 Q. So while you were at Dresdner, did 8 the Russian Federation ask you to provide 9 evaluation of -- here we go again, Mr. Court 10 Reporter -- Yuganskneftegaz, 11 Y-U-G-A-N-S-K-N-E-F-T-E-G-A-Z? 12 A. Which we know as YNG. 13 Q. Which after this I'm going to do YNG, 14 just like you, Mr. Foresman. I've done it for 15 years. 16 Did the Russian government ask you to 17 provide evaluation of YNG? 18 A. We were asked by the Ministry of 19 Justice of the Russian Federation, as I recall, 20 so yes. 21 Q. And I'll ask in a general -- what was 22 YNG at the time? 23 A. YNG was, as I understand it now and I 24 believe as I understood at the time, the 25 largest or what we call the main production</p>
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<p>1 market and the players. 2 Q. Did you -- do you remember telling 3 the embassy official that this was not 4 firsthand knowledge by you? 5 A. I -- I did not represent that it was 6 firsthand knowledge. 7 But I would note that in my vast 8 experience, firsthand knowledge can sometimes 9 be more misleading and less accurate than 10 informed views from others. 11 MR. JACOBSON: Mr. Pees, I'm putting 12 the judiciary committee letter to the side for 13 a minute, and I want to just ask a couple of 14 questions about Sergei Gorkov. 15 Q. What do you know about Mr. Gorkov's 16 background? 17 A. He had been, I think in 2016, 18 appointed as the chairman of the management 19 committee, who is like the CEO of the Russian 20 state development bank, Vnesheconombank. And 21 before -- I'm sorry. 22 Q. No. Please continue. 23 A. And before that, he had been, I 24 think, a regional official at Sberbank. 25 Q. Do you know whether he at some point</p>	<p>1 asset of Yukos Oil Company. 2 Q. So the assignment to -- to generate 3 that valuation did you consider that a major 4 assignment? 5 A. Not economically, but in terms of 6 importance, I would say yes. 7 Q. And do you know why Dresdner was 8 selected to provide that valuation? 9 A. I -- I believe I do. 10 Q. What's your understanding of why 11 Dresdner was picked? 12 A. My understanding was that we were -- 13 Dresdner at the time, Dresdner Kleinwort, DKW, 14 Dresdner Kleinwort Wasserstein, at the time was 15 known as a leading global energy investment 16 bank in the energy sector. And it had good 17 relationships in -- in Russia, as a -- a -- a 18 well-known and well-committed-to-Russia 19 investment bank. 20 Q. And did you personally play a role in 21 drafting the valuation report? 22 A. I played a minor role. I wasn't -- 23 that wasn't part of what I did, but I would 24 have reviewed it. And I believe I would have 25 made comments on it.</p>

<p style="text-align: right;">Page 57</p> <p>1 Q. I wasn't suggest -- I was trying to 2 get a sense of how extensive your role was. 3 A. Yeah. 4 Q. And you answered that question. 5 When you reviewed the report, did you 6 work with a version that was in Russian or 7 English or both? 8 A. I believe it would have been in 9 English because it would have been prepared by 10 our U.K. office, which didn't speak Russian, 11 most of whom didn't speak Russian. 12 Q. And then to your knowledge -- let me 13 ask it this way: Who was the audience for the 14 valuation report? 15 A. The audience? 16 Q. I don't mean to be -- I'm trying to 17 figure -- I'm getting a sense of how public did 18 the report become, is where I'm going with 19 this. 20 A. So I would -- I would answer by 21 saying that the client was the -- so the 22 recipient of the report, the client, I believe, 23 was the Ministry of Justice of the Russian 24 Federation or maybe more specifically the 25 bailiff. It's a little bit vague.</p>	<p style="text-align: right;">Page 59</p> <p>1 A. Okay. 2 Should I read the entire document or 3 just review -- 4 Q. No, no. I mean just enough to -- 5 just please skim it enough to see you're -- if 6 you can say that you've seen this document in 7 this form before. It's only a couple parts of 8 it that I'm going to direct your attention to 9 specifically. 10 THE WITNESS: (Perusing document.) 11 A. Okay. 12 Q. Is this a document that you've seen 13 before in this form? 14 A. It's familiar to me. I don't know -- 15 I can't -- I'd have no way of knowing whether 16 I've seen it in exactly this form. But 17 broadly, I recognize much of the substance. 18 Q. That's fair enough. So please turn 19 to -- the pages aren't numbered, but it's about 20 three pages from the back, Section 11.1. 21 It's headed "A Limited Circle of 22 Potential Acquirers." 23 Just let me know when you've finished 24 reading that paragraph. 25 A. Yes. I have.</p>
<p style="text-align: right;">Page 58</p> <p>1 But the audience, I can't recall at 2 the time whether it was meant to become public, 3 which it did become public, but I can't recall 4 at the time whether we intended to become 5 public. I don't believe that that was the 6 assumption. 7 Q. So I'm going to show you a document. 8 I have an English copy of it, and I want to see 9 if it's something that you've seen before. And 10 then I'll ask you questions about it. 11 MR. PEES: We are on 5? 12 THE COURT REPORTER: I just marked 6. 13 MR. PEES: Oh, 6. 14 --- 15 (Foresman Exhibit 6 was marked for 16 identification.) 17 --- 18 Q. I'm going to give you plenty of time 19 to look at this. But the first question I just 20 want to ask is, have you seen this document in 21 this form before? 22 A. Could you please give me some time 23 to -- 24 Q. Take your time. I just wanted to let 25 you know what the first question was.</p>	<p style="text-align: right;">Page 60</p> <p>1 Q. So I'm looking in particular at the 2 first bullet, which says, "There is a 3 widespread opinion that political support is 4 needed to participate, which may limit the 5 number of acceptable foreign participants able 6 to compete." 7 So that refers to the sale of YNG. 8 Is that correct? 9 If YNG is offered for sale -- 10 A. I understand it to be that, yes. 11 Q. And at the time this report was 12 written, was it your personal opinion that 13 political support would be necessary for 14 someone to acquire YNG? 15 A. Let me rewind. My -- this is a long 16 time ago. 17 Support was required... 18 I believe -- I believe it was my 19 opinion at the time that, whether it was 20 political support or lack of political 21 resistance for such a large oil-producing asset 22 in Russia to be acquired, that it would, as a 23 minimum, require antimonopoly approval. And 24 you probably would require some degree of -- of 25 support from the Russian government -- or at</p>

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1 least lack of resistance.

2 Q. In your view, what could the Russian
3 state do to preclude a nonsupported buyer from
4 participating in an auction if that was its
5 goal?

6 A. I'd like to preface my answer by
7 saying I'm -- it's difficult for me to strip
8 out what knowledge I may have acquired in the
9 last 15 years when answering the questions --
10 what I know now versus what I was thinking
11 then.

12 But, for example, a very specific
13 example, the -- the Russian government has an
14 antimonopoly arm, which I don't know if
15 "approval" is the right word, but it could
16 oppose an application if it believed that there
17 was antimonopoly concerns.

18 I believe at this time -- at that
19 time, there were also -- I don't know whether
20 these were written rules or unwritten rules. I
21 recall distinctly that it -- that -- well, not
22 distinctly. I have a recollection that Chinese
23 companies, whether by a written order or by a
24 perception, were not allowed to acquire oil
25 fields beyond, I think, 500 million barrels or

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1 I think this was, to the best of my
2 recollection, 2005 maybe, maybe '4.

3 Dresdner had done a lot of work for
4 Gazprom.

5 Dresdner had been a -- the key
6 advisor advising Gazprom on removing what we
7 called the ring fence. Gazprom's share market
8 had -- they had local shares. And then you had
9 ADRs, international -- American depository
10 receipts. And there was big delta between the
11 valuation of those two things.

12 And we advised -- this was called the
13 ring fence, that -- Gazprom local shares were
14 only permissible, were only acquirable by
15 Russian parties.

16 And international investors had to
17 acquire -- anyhow, so we advised on the removal
18 of the ring fence.

19 We -- I believe by that point we had
20 a -- an ongoing and substantial lending
21 relationship with Gazprom. We had advised
22 Gazprom on a number of -- of transactions.
23 And -- and so we were -- Dresdner was very well
24 known. We had done some very good work, and we
25 had some very good relationships -- my own,

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1 maybe a billion barrels.

2 And -- and I would add that our
3 government, the U.K. government, governments
4 throughout the world, reserve the right to
5 prevent certain owners, as has happened in the
6 last year in this country with oil assets.

7 Absolutely a strategic sector for
8 Russia energy sector, and I don't recall. It
9 was many billions of barrels that YNG, the
10 reserves. So this was definitely a strategic
11 asset that -- that the government would care
12 about and would oppose if they didn't like the
13 buyer, in my understanding.

14 Q. So you can put this aside for now,
15 but I'll -- this one I'll be coming back to
16 later, but we can put it aside for now.

17 While at Dresdner, were you also
18 asked to advise Gazprom in connection with a
19 possible merger with Rosneft?

20 A. Yes, whether it was a merger and
21 acquisition, but an M&A transaction, yes.

22 Q. Understood. How did you come to get
23 that engagement?

24 A. How did we come to get that
25 engagement?

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1 Mr. Warnig's, our oil and gas team.

2 Even the head office in Frankfurt
3 were very well known within Gazprom, so we
4 were -- and we were very knowledgeable of the
5 energy sector, so I think a logical fit.

6 Q. In February 2007, were you nominated
7 to become a director of Gazprom?

8 A. I -- a member of the board of
9 directors.

10 Q. Yes.

11 A. I don't -- I don't recall whether it
12 was 2007. There were several years where I was
13 nominated to be on the board of directors.

14 Q. I just want to -- just for -- just so
15 we can make it clear on the date, I'm just
16 going to show you a set of board minutes.

17 ---

18 (Foresman Exhibit 7 was marked for
19 identification.)

20 ---

21 Q. I just wanted to -- I mean, the only
22 reason why I showed you this document was just
23 because it's the board of directors meeting
24 from 5 February 2007, and it shows you your
25 name and nomination for the board. So I just

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<p>1 wanted to -- does this -- do you agree with me 2 that you were nominated for the board in 3 February 2007 to become a director? 4 A. I -- to the best of my recollection, 5 I was nominated four times. 6 Q. I -- I agree. Just -- this was one 7 of them. 8 A. I believe this was. I don't remember 9 the years. 10 I didn't recall that being in my 11 Renaissance years. But according to this, it 12 would have been. Yeah. 13 Q. So do you know how you came to be 14 nominated for that position? 15 A. I -- not entirely. I was -- I didn't 16 seek the nomination. I believe I was told that 17 I was nominated by one of the minority 18 shareholders, I believe. 19 But I think it may have been -- and 20 I'm -- I don't have a firm recollection of 21 this, the Gazprom pension fund. Leader, called 22 Leader, I believe. 23 Q. Was it unusual for a Westerner to be 24 nominated to the board of Gazprom? 25 A. It wasn't common. It was -- It</p>	<p>1 looking at this document, from February 2007, I 2 don't believe -- I can't exclude it but I don't 3 believe that I was told ahead of time that I 4 was going to be nominated, to give my approval. 5 Q. So we talked earlier, before the 6 break, about your conversations with U.S. 7 embassy officials. 8 Why -- in general terms, why would 9 embassy officials reach out to you for 10 information? What did they consider you 11 knowledgeable about that they would call you 12 for information? 13 A. Russia. 14 Q. The country generally or the oil and 15 gas market specifically? 16 A. The oil and gas market, the business 17 environment, and to a degree, the political 18 environment, insofar as a lot of the 19 state-owned companies were -- sorry. 20 A lot of the top companies were 21 state-owned, government-owned, and were 22 important politically. 23 Q. So I'm now going to try to focus 24 these questions on the 2007, 2008, time period. 25 What news sources did you consult on</p>
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<p>1 wasn't necessarily unusual. I think I believe 2 there was a sitting German, Mr. Bergmann, who 3 was already a member of the board. But it was 4 not -- it was not common, but it was not 5 unprecedented. 6 Q. And as you say, you were nominated 7 three or four times. 8 A. Uh-huh. 9 Q. But you never did become a director; 10 is that correct? 11 A. I never became a director. I never 12 campaigned, as we say. 13 Q. Do you know why you didn't get the 14 position? 15 A. I never campaigned. I never 16 campaigned for -- I -- I -- I believe, to the 17 best of my recollection, I had to get approval 18 from my employer, which was Dresdner at one 19 stage and then Renaissance, to -- actually, I'm 20 not sure whether I -- whether my permission and 21 my employer's permission was required to 22 nominate me. 23 To be elected, you certainly would 24 have needed that approval. 25 And frankly, I don't believe that --</p>	<p>1 a regular basis to keep abreast of business and 2 political developments in Russia in 2007 and 3 2008? 4 A. News sources -- 5 Q. And this is the Sarah Palin "What 6 newspapers did you read in the morning?" 7 question. What news sources did you consult on 8 a regular basis to keep abreast of 9 developments? 10 A. So the -- do I understand your -- 11 Q. Media. 12 A. -- question correctly to be the 13 media? 14 Q. Media. 15 A. Fore example, among others -- sorry. 16 Vedomosti, V-E-D-O-M-O-S-T-I. Vedomosti, which 17 is a Russian language joint venture between the 18 Wall Street Journal and I think the Financial 19 Times. 20 The Wall Street Journal and the 21 Financial Times themselves. 22 Kommersant, K-O-M-M-E-R-S-A-N-T. 23 The Moscow Times. 24 Can't recall where we were in terms 25 of Internet news back then.</p>

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Q. Pretty far along, as I recall.

A. But I think it was doing more print, in terms media reading. There was various industry-specific energy newsletters, as I recall. Regional business newsletters and mailings.

New York Times, Washington Post. I was a pretty voracious reader of news.

Q. And in terms of source, media sources you consulted, how is that different today versus 2007, 2008?

Are there sources you're consulting now that didn't exist then?

A. In the media? Yes.

Q. What sources now are you consulting that didn't exist then?

A. There's a lot of publications that focus on sanctions and U.S. public policy toward that. That issue did not exist. So we're very sanctions-focused.

Politico -- I don't know if -- and The Hill. I don't know if I had been aware of those publications back then, but they give a good view of what the policy makers and congressional leaders are thinking. I don't

terrible question, so let me try it this way.

Would you say you gained a significant percentage of your knowledge about business and political affairs in Russia in 2007 and 2008 from talking to people you knew?

A. Yes, I would say that.

Q. Was this sort of inviting people to lunch and dinner? Social events? Just in general terms, how were you maintaining ties with contacts that were keeping you abreast of developments in 2007 and 2008?

A. In 2007, 2008.

Client meetings. I may have had five client meetings a day in that era.

Many of these clients were clients of influence and status.

Friends, acquaintances.

In the business world, officials that I might encounter, embassy people from different embassies.

I am now and was then a fluent Russian speaker.

I was very involved in the community, through church, through coaching, through Scouts.

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think I was as focused on that back then.

Yeah. So I would say the main difference is that today, people that have the sort of role that I have with respect to Russia, professionally, are much more focused on the direction of travel of sanctions and the geopolitical environment.

Whereas, back then when the political environment within the United States was quite strong, back in the early Dresdner years, the focus was more on: What does everything mean within Russia?

Q. Makes perfect sense.

Couple questions ago you quite correctly asked for clarification about whether I was talking, when I said "news sources" and you said "media." So that anticipated the next question, which is, in terms of how you kept abreast of business and political developments, what percentage would you say was news sources versus contacts?

A. I wouldn't venture to guess.

I -- I never thought about it in such terms. It would be --

Q. I'll ask it differently. It was a

And the expat community was quite tight-knit, but these included people that were quite influential in that small sandbox. And I had a lot of contacts and a lot of the sources of information --

Q. So --

A. -- or insights.

Q. Understood.

2005, '6, '7, '8, would you say there were countries in the world that were particularly dependent on oil and gas from Russia?

A. Yes.

Q. And what countries would you say were -- are particularly -- in that timeframe in particular, in 2005 through '8 were particularly dependent on oil and gas from Russia?

A. Europe, Western Europe, Central Europe, Eastern Europe, Southern Europe.

Q. And still thinking of that 2004, '5, '6, '7, '8 period, can you think of examples of Russia leveraging that dependence to achieve geopolitical strategic aims?

A. I have heard that terminology. I

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1 wasn't a big user of that terminology.

2 Q. And I don't mean to -- I don't mean
3 to cause you to adopt terminology you don't
4 agree with. But, I mean -- so I'll break it
5 up. Are you aware of disputes that arose
6 between Russia and other countries over the
7 supply of oil and gas in that timeframe?

8 A. Of gas. I'm not sure about oil. But
9 of gas, I am aware.

10 Q. So --

11 A. Natural gas. Sorry.

12 Q. What -- what disputes can you recall
13 from that time period, 2004 through 2008, that
14 arose about the supply of natural gas?

15 A. Between Gazprom and Ukraine.

16 Q. In your words, can you describe that
17 dispute and how it arose?

18 A. I have a better understanding than
19 the average person in Manhattan. But I -- not
20 so expert in this that I can answer this
21 concisely without thinking.

22 So I -- so Ukraine has a gas transit
23 infrastructure system, pipeline system, through
24 its territory, which way back in the Soviet
25 times and up until today brings Russia natural

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1 their allotted volume, allotted by the
2 Russians.

3 And there was, I believe, a pricing
4 dispute, for -- this is not gospel. A pricing
5 dispute about how much Gaz -- Gazprom would
6 charge Ukraine for the gas that Ukraine was
7 using for its own needs.

8 And for the first time, I think,
9 ever -- and this includes the height of the
10 Cold War and the Soviet days -- there was a
11 disruption in the Russian natural gas supply
12 into Europe during the winter because of this
13 dispute with Ukraine. So it was very --

14 Q. To take it out of the passive voice,
15 Russian actually reduced the pressure in the
16 pipeline and supplied less natural gas to
17 Ukraine. Is that correct?

18 A. I -- I can't recall the -- I can't
19 recall the details. I can't recall the
20 details. I -- I do recall reading a Harvard
21 Business School case study which had the
22 conclusion that Gazprom was actually acting
23 commercially rationally and the Ukrainians were
24 not.

25 Q. And you mentioned -- we discussed the

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1 gas through the pipeline system above ground
2 into Europe through Ukraine.

3 And Ukraine -- this is -- has
4 traditionally been a very significant source of
5 revenues for the Ukrainian budget, the transit
6 fees that Gazprom will pay. And Gazprom --
7 sorry.

8 And Ukraine would also get much or
9 most -- I can't recall if it's much or most of
10 its own natural gas supply from the Russian gas
11 that comes through the pipeline.

12 And I believe at some point in the
13 winter, I think December of -- I don't know if
14 it was '04, '05, '06 --

15 MR. PEES: I think --

16 Q. I think it was '05, but --

17 A. Yeah, '05, maybe. There's a Harvard
18 Business School case study which does a much
19 better job of explaining this than I am right
20 now.

21 And so I believe it was in late
22 December -- or late 2005, where there was a
23 pricing dispute. I think Gazprom was accusing
24 the Ukrainians of syphoning off -- I'm using
25 quotation marks -- syphoning off more gas than

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1 Nord Stream pipeline earlier that would transit
2 natural gas from Russia directly to Germany
3 under the Baltic Sea. So once that pipeline is
4 completed, is it fair to say that Western
5 Europe would be able to get its natural gas
6 without it having to go through Ukraine?

7 A. I don't know that it would be fair to
8 say that.

9 Q. Why not?

10 A. Yeah. I'm not a deep expert in this.
11 I know more than most people in Manhattan for
12 sure.

13 As I understand it, both Europeans
14 and the Russian government and Gazprom have
15 agreed that flows through Ukraine should not
16 stop or even go down, maybe even go up, in
17 parallel with the Nord Stream supplies.

18 So I -- I don't -- I don't -- but I'm
19 not -- I'm not an expert in this area.

20 Q. Understood. In general terms,
21 though, is it fair to say that securing supply
22 lines for the export of oil and gas from Russia
23 is an important consideration for the
24 government of Russia?

25 A. Yes, absolutely fair.

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<p>1 And Europe.</p> <p>2 Q. So I've been told that we only have</p> <p>3 about four minutes left on the tape. I'm at a</p> <p>4 natural stopping point anyway, so why don't we</p> <p>5 take a little break. Let's -- let's try to</p> <p>6 keep it to five minutes, and then we can come</p> <p>7 back and rock and roll.</p> <p>8 THE VIDEOGRAPHER: Okay. We're going</p> <p>9 off the record at 10:26 a.m. This marks the</p> <p>10 end of Media 1.</p> <p>11 (Recess from 10:26 to 10:35.)</p> <p>12 THE VIDEOGRAPHER: We are back on the</p> <p>13 record at 10:35 a.m. This marks the beginning</p> <p>14 of Media 2.</p> <p>15 Q. So you knew at some point we were</p> <p>16 going to start talking about auctions. So the</p> <p>17 moment has arrived. I'm going to try to just</p> <p>18 streamline a few questions, get some</p> <p>19 foundational matters out of the way.</p> <p>20 The Lot 19 auction of Yukos assets</p> <p>21 was for shares of Yukos Finance. Is that</p> <p>22 correct?</p> <p>23 A. I -- that's correct. I -- shares and</p> <p>24 other -- yes, shares, cash. But I guess shares</p> <p>25 was the proper term.</p>	<p>1 A. I'm not sure if it was two or if it</p> <p>2 was three. It may have been -- it may have</p> <p>3 been two. The record would show.</p> <p>4 Q. One of them was Promneftstroy.</p> <p>5 That's a name we're going to be talking about,</p> <p>6 P-R-O-M-N-E-F-T-S-T-R-O-Y. But I think we may</p> <p>7 call it PMS for --</p> <p>8 A. PNS.</p> <p>9 Q. PNS. I'm sorry. Yes. PNS.</p> <p>10 A. That's okay.</p> <p>11 Q. Works for -- either one works. We'll</p> <p>12 use PNS. It's probably easier.</p> <p>13 So one of those -- Promneftstroy was</p> <p>14 your vehicle; correct? The consortium's --</p> <p>15 A. Bidding vehicle, yes, correct.</p> <p>16 Q. -- bidding vehicle.</p> <p>17 And another bidder was a company</p> <p>18 called Versar, V-E-R-S-A-R?</p> <p>19 A. Correct.</p> <p>20 Q. And Promneftstroy, PNS, won the</p> <p>21 auction, correct?</p> <p>22 A. Correct.</p> <p>23 Q. And before your consortium bought</p> <p>24 PNS, it was a Rosneft subsidiary?</p> <p>25 A. I don't know if that's the right</p>
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<p>1 Q. And the Lot 19 auction took place on</p> <p>2 August 15th, 2007?</p> <p>3 A. Correct.</p> <p>4 Q. And for purposes of participating in</p> <p>5 the Lot 19 auction, RenCap was part of a</p> <p>6 consortium, correct?</p> <p>7 A. Correct.</p> <p>8 Q. And the consortium consisted of --</p> <p>9 I'm -- if you'll forgive me, I'm going to try</p> <p>10 to do this quickly and object if you want. The</p> <p>11 consortium consisted of Stephen Lynch,</p> <p>12 VR Capital and RenCap?</p> <p>13 A. Correct.</p> <p>14 Q. And VR Capital was backed --</p> <p>15 partially backed by its client, HBK?</p> <p>16 A. Sorry. Who?</p> <p>17 Q. VR Capital, was VR Capital backed by</p> <p>18 a client of its -- HBK?</p> <p>19 A. I believe I came to understand that,</p> <p>20 yes.</p> <p>21 Q. And RenCap was partially backed by</p> <p>22 its client, Jervis, J-E-R-V-I-S?</p> <p>23 A. I came to know that, yes.</p> <p>24 Q. Am I correct that only two bidders</p> <p>25 participated in the Lot 19 auction?</p>	<p>1 word. It was a -- it was owned by -- it was</p> <p>2 set up by, as I understand, and owned by</p> <p>3 Rosneft. I don't know if the word "subsidiary"</p> <p>4 is legally accurate, but it may have been.</p> <p>5 Q. Perfectly -- perfectly fair</p> <p>6 correction.</p> <p>7 Would you describe yourself as the</p> <p>8 lead deal executive for RenCap on the Lot 19</p> <p>9 matter?</p> <p>10 A. I was the lead relationship</p> <p>11 executive. I don't know the deal -- I have to</p> <p>12 understand what you mean by "deal." I wasn't</p> <p>13 negotiating the terms.</p> <p>14 Q. I -- I think -- I think you answered</p> <p>15 the question. I was mostly getting at were you</p> <p>16 the lead person at RenCap working on the deal?</p> <p>17 I mean the person working on all matters</p> <p>18 pertaining to the -- the bid for Lot 19.</p> <p>19 A. No. I would -- not in all matters</p> <p>20 related to. I was a key Renaissance person on</p> <p>21 that transaction, particularly as it related to</p> <p>22 the relationship with Rosneft. But not in all</p> <p>23 matters of the deal, no.</p> <p>24 Q. We may come to some other names --</p> <p>25 A. Okay.</p>

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<p>1 Q. -- during the course of the day, and 2 that may help to clarify it. 3 Who was the owner of RenCap at the 4 time of the Lot 19 auction? 5 A. So the -- it was owned by partners, 6 which would mean the executive partners, the 7 controlling shareholder was Stephen Jennings, 8 with a P-H. 9 And then there were smaller 10 shareholders. 11 Q. So in a few minutes, we're going to 12 start talking about your first contact with the 13 gentleman named Stephen Lynch. 14 But before I talk about the specific 15 contacts about Lot 19, at the time that you 16 first were -- you first spoke to Mr. Lynch, did 17 you know anything about him? Strike that. 18 Had you met him before the first 19 contact with Lot 19? 20 A. I had met him before. 21 Q. In what context? 22 A. I believe, but I'm not sure -- and I 23 don't know if he has this recollection. I 24 thought I had met him once at a friend's party 25 in Ukraine ten years prior at a -- at a party</p>	<p>1 coming to me with respect to Auction 19. 2 Q. And before you and Mr. Lynch had your 3 first communication about Lot 19, did you 4 already know what Lot 19 consisted of? 5 A. I don't believe that I did, to the 6 best of my recollection. 7 Q. So you hadn't discussed the Lot 19 8 auction with any of your clients prior to the 9 first time Mr. Lynch came to you? 10 A. Correct. To the best of my 11 recollection, yes. 12 Q. And just to be clear, had RenCap 13 itself considered participating in the Lot 19 14 auction before Mr. Lynch first contacted you? 15 A. Not to my knowledge, but my knowledge 16 may not be universal. 17 Q. To the best of your knowledge, when 18 did you first learn that Mr. Lynch had won the 19 Lot 4 auction? 20 A. To the best -- to the best of my 21 knowledge, when he told me that having 22 approached me with his idea about Lot 19, to 23 the best of my recollection. 24 I don't know whether it was in the 25 media after Lot 4 and if I read about it there.</p>
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<p>1 and just saw him there. 2 The first substantial discussion I 3 had with him was, I believe -- I was at 4 Renaissance Capital. I believe it was 2006. 5 Q. And what interactions did you have 6 with him in 2006, Mr. Lynch? 7 A. To the -- I believe he had approached 8 Renaissance Capital, in Atlanta with me about a 9 real estate transaction, vague recollection, 10 but a much more vivid recollection, I can 11 recall we had maybe two or three meetings 12 and/or calls with him about whether he might be 13 a candidate to join Renaissance to look after 14 our real estate, investment banking, and 15 principal investment and potentially asset 16 management activities. And those discussions 17 didn't materialize. 18 Q. At the time that you and Mr. Lynch 19 first communicated with each other about 20 Lot 19, did you already know that he had been 21 involved in the bid for another Yukos lot, 22 Lot 4? 23 A. I don't believe so. 24 I can't rule it out, but I don't -- I 25 don't recall having known that prior to him</p>	<p>1 I don't know -- still today, I don't know 2 whether his involvement was in the media 3 between Lot 4 and Lot 19. 4 Q. Do you know what assets were in the 5 Lot 4 auction? 6 A. I did not, I don't believe I did at 7 the time. 8 But there was a power asset, I 9 believe. 10 Q. Well, RenCap itself considered 11 participating in the Lot 4 auction, didn't it? 12 A. I -- it was in the course of 13 reviewing the documents that the claimants 14 provided, that I reviewed in the course of this 15 past week, that I put two and two together 16 that -- that RenCap had looked at Lot 4, which 17 Lynch had won. 18 I, to the best of my recollection, 19 which I think is quite vivid on this, I don't 20 believe I made that connection until this week. 21 Q. Okay. So I have a feeling I'm going 22 to show you one of the e-mails that you looked 23 at, and we can go through it a little bit. And 24 I'll just repeat that I know Mr. Pees's 25 objections stands.</p>

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<p>1 A. I'm sorry. Which objection stands?</p> <p>2 Q. Use of the documents.</p> <p>3 MR. PEES: I had a standing objection</p> <p>4 at the beginning of the deposition. That's</p> <p>5 what Mr. Jacobson is referring to.</p> <p>6 MR. JACOBSON: And I won't do that</p> <p>7 again.</p> <p>8 MR. PEES: I think we are in</p> <p>9 agreement that it's a standing objection.</p> <p>10 MR. JACOBSON: Yeah.</p> <p>11 MR. PEES: Thank you for the</p> <p>12 clarification.</p> <p>13 MR. JACOBSON: Sorry. Didn't mean</p> <p>14 to --</p> <p>15 THE WITNESS: So do I have this?</p> <p>16 THE COURT REPORTER: As soon as I get</p> <p>17 my hands free.</p> <p>18 MR. JACOBSON: Sorry, sorry, sorry,</p> <p>19 take your time. No rush.</p> <p>20 THE COURT REPORTER: Actually, while</p> <p>21 I have your attention, if you could slow down a</p> <p>22 little bit.</p> <p>23 MR. JACOBSON: Story of my life.</p> <p>24 THE COURT REPORTER: Thanks.</p> <p>25 ---</p>	<p>1 something in that realm.</p> <p>2 Q. And then there's another gentleman,</p> <p>3 Alexander Pertsovsky, P-E-R-T-S-O-V-S-K-Y.</p> <p>4 What was his position?</p> <p>5 A. I think by that time, he was already</p> <p>6 the -- Mr. Pertsovsky was already the CEO of</p> <p>7 Renaissance Capital.</p> <p>8 Q. And then the last one I went to ask</p> <p>9 you about is Philip Panov, P-A-N-O-V. What was</p> <p>10 Mr. Panov's position?</p> <p>11 A. Sorry. What do you -- that doesn't</p> <p>12 ring a bell. Where is his name?</p> <p>13 Q. That's a fair question. I might have</p> <p>14 made a mistake.</p> <p>15 A. Oh, page 5. I'm not familiar with --</p> <p>16 I don't know if I was at the time. That</p> <p>17 doesn't ring a bell.</p> <p>18 Q. So it being an e-mail chain, the</p> <p>19 earliest message in the chain is at the back.</p> <p>20 So what I'm going to do is ask you to</p> <p>21 look at the -- the first e-mail, you know, the</p> <p>22 first e-mail chronologically in the chain,</p> <p>23 which is an e-mail from Irina Khrabrova,</p> <p>24 March 28th, 2007, at 10:56 a.m.</p> <p>25 And then it seems as though</p>
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<p>1 (Foresman Exhibit 8 was marked for</p> <p>2 identification.)</p> <p>3 ---</p> <p>4 A. Can I familiarize myself with it?</p> <p>5 Q. By all means.</p> <p>6 MR. JACOBSON: I'll note for the</p> <p>7 record that the court reporter just became the</p> <p>8 117th court reporter to tell me to slow down.</p> <p>9 THE WITNESS: (Perusing document.)</p> <p>10 MR. JACOBSON: I think we're on 7.</p> <p>11 THE COURT REPORTER: This is 8.</p> <p>12 MR. JACOBSON: 8. Sorry. Thank you.</p> <p>13 Q. Just to save some time, I am going to</p> <p>14 ask you some certain general questions.</p> <p>15 A. Okay.</p> <p>16 Q. And then I'll direct your attention</p> <p>17 to particular --</p> <p>18 A. Okay.</p> <p>19 Q. -- parts of the document. But some</p> <p>20 easy stuff.</p> <p>21 There's a gentleman Oleg Jelezko,</p> <p>22 J-E-L-E-Z-K-O, on this e-mail exchange. What</p> <p>23 was Mr. Jelezko's position?</p> <p>24 A. I believe at the time he was head of</p> <p>25 structured products or equity derivatives,</p>	<p>1 Mr. Jelezko added Mr. Pertsovsky and Mr. Panov</p> <p>2 at 11:00 a.m. And then within about six</p> <p>3 minutes of the original e-mail, and this is</p> <p>4 what I really want to direct your attention to,</p> <p>5 is on page 5 toward the top of the page, which</p> <p>6 is at 11:02 a.m., Mr. Pertsovsky forwards an</p> <p>7 e-mail, forwards this chain to you with a</p> <p>8 one-line message: "Can we do it?"</p> <p>9 Do you see that?</p> <p>10 A. Yes. I think that was the --</p> <p>11 11:02 a.m. But yes.</p> <p>12 Q. Yes. And do you know why</p> <p>13 Mr. Pertsovsky asked you in particular whether</p> <p>14 RenCap could participate in the Lot 4 auction?</p> <p>15 Take your time.</p> <p>16 A. Yeah. Let me -- yeah. Let me just</p> <p>17 read my response.</p> <p>18 Q. By all means.</p> <p>19 THE WITNESS: (Perusing document.)</p> <p>20 A. I guess he wanted my view as to</p> <p>21 whether this was something that Renaissance</p> <p>22 should pursue.</p> <p>23 Q. In your mind, what considerations</p> <p>24 went into whether Renaissance should or</p> <p>25 shouldn't participate?</p>

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1 A. So I was head of what we called
2 client coverage, so I was responsible for our
3 client relationships.

4 And Renaissance was the leading, if I
5 may say, the leading investment bank in -- in
6 that market, Russian. And we often had clients
7 that were -- that we were advising. We all --
8 also did often principal business on our own
9 behalf or on behalf of -- and sometimes
10 brokerage business on behalf our advisory
11 clients.

12 So -- and we were headquartered in
13 Russia. So our involvement in a transaction,
14 some of the things, if I understood your
15 question, that we would take into consideration
16 is, are we going to have a conflict with the
17 client, potentially, between two clients? Are
18 we going -- is this something where our
19 participation would be welcomed by clients or
20 by the host government?

21 Are there some -- there was some
22 sensitivities around the Yukos-related auctions
23 for sure. So we would have taken those things
24 into consideration.

25 Q. So in particular -- well, how would

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1 It was all over the Russian media. It was all
2 over the international media. Some of the
3 claimants and their then-associates were taking
4 out advertisements saying these are -- sham
5 bankruptcy and these are rigged auctions, and
6 threatening people for not participating. It
7 was a very high-profile, very sensitive topic.

8 Q. So, I mean, and just to be clear, is
9 it fair to say, from this e-mail exchange, that
10 RenCap did consider participating in the Lot 4
11 auction? Is that correct?

12 A. Yes. That is correct. That's a fair
13 assessment.

14 Q. And so in contrast to the six minutes
15 that it took Mr. Jelezko to get the "Can we do
16 it?" question to you after the first inquiry
17 came in, it was about three hours, three and a
18 half hours, to 2:22 p.m. when you responded.
19 Do you have any recollection as to what you did
20 during those three hours to formulate your
21 response?

22 A. Just clarify, it was not Mr. Jelezko.
23 It was Mr. Pertsovsky that e-mailed.

24 Q. Oh, you're absolutely right. You're
25 absolutely right.

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1 you describe the sensitivities? You mentioned
2 sensitivities that the Russian government had
3 with regard to the Yukos assets. How would you
4 describe those sensitivities in your own words?

5 MR. PEES: Slight objection.

6 His testimony wasn't quite as
7 extensive as the way you recapped it, I
8 understand you weren't meaning to --

9 MR. JACOBSON: I was not.

10 MR. PEES: -- add more to it. But I
11 think if you rephrase the question to ask him
12 just to elaborate on the sensitivities he
13 referred to, that would clear up my objection.

14 MR. JACOBSON: I accept that
15 objection.

16 Q. So how would you describe the
17 sensitivities?

18 A. So the -- the Yukos -- the whole
19 Yukos affair with the Yukos bankruptcy and
20 the -- the fate of Mr. Khodorkovsky,
21 Mr. Lebedev.

22 MR. JACOBSON: I can do both of
23 those. Khodorkovsky is K-H-O-D-O-R-K-O-V-S-K-Y
24 and Lebedev is L-E-B-E-D-E-V.

25 A. Yeah. This was very high-profile.

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1 A. It would be misleading, to suggest
2 that I opened this e-mail at 11:02 and
3 contemplated it for three and a half hours.

4 Q. I wasn't meaning to suggest that. I
5 was just asking if you know anything you did
6 during that period of time to -- to prepare
7 your response.

8 A. To the best of my recollection, I
9 opened the e-mail, read it, and started typing.

10 Q. So you don't recall having spoken to
11 anybody else?

12 A. No.

13 Q. Okay.

14 A. No.

15 Q. So --

16 A. Yeah. I -- I can't rule out, but I'm
17 rather confident that I just started typing and
18 this was my -- what came out of my head without
19 consulting anybody.

20 Q. So let's -- I want to take a closer
21 look at your response, which is at the bottom
22 half of page 4 of the exhibit.

23 The third sentence -- I'll do it one
24 at a time. I mean, you saw from the below that
25 you need to submit your bid today. And then

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1 you expressed your firm view that we go ahead.

2 But then the third sentence was: "If
3 they" -- and you put "they" in quotes -- "don't
4 want us involved, then FAS" -- we'll get to
5 what FAS is in a minute -- "won't approve our
6 application."

7 What did you mean by "they" in
8 quotes?

9 A. So a lot times didn't go -- I didn't
10 invest a lot of time in drafting this. I
11 believe, to the best of my recollection,
12 from -- whatever that is, 11 and a half years
13 ago, that "they" would have meant the Russian
14 state, Russian state companies, Russian
15 government, maybe with an emphasis toward
16 Russian state companies that might be
17 interested in bidding for this.

18 But basically, the -- you know, the
19 government.

20 Q. And FAS stands for the Federal
21 Antimonopoly Service?

22 A. Yes, correct, in English, yes.

23 Q. In English. And then the next
24 sentence is, "If they do approve it, but we are
25 told before April 14 that we are not welcome,

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1 know.

2 I'm trying to put myself in my mind
3 from 11 and a half years ago that the main
4 message I'm trying to convey here is I've just
5 learned about this. The deadline, I'm told, is
6 today. I don't want to tell the bank to not go
7 forward. If we think it makes commercial
8 sense, go for it and then we'll figure it out.

9 Q. Would there have been any in your
10 mind -- in your mind, would there have been any
11 antimonopoly concerns with RenCap participating
12 in this auction in this way?

13 A. I don't know, and I'm really -- I'm
14 not -- and I saw various references to FAS in
15 the e-mails that you produced. And I may have
16 come across as being more knowledgeable about
17 the Russian antimonopoly service than I was.

18 It's -- I'm not an expert in anti --
19 and I may have even used the wrong terms. I
20 don't know if it's approval that they grant.

21 Q. And then the next sentence was, "Not
22 every auction lot in this process is
23 sensitive."

24 A. Uh-huh.

25 Q. Again, you've -- I think you've

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1 then we can stand down now."

2 Who did you envision might say that
3 RenCap was not welcome in this auction?

4 A. I'm sorry. Could you repeat the
5 question? Sorry.

6 Q. Sure. So --

7 A. Just the question.

8 Q. Yeah. No.

9 Who were you anticipating might
10 convey a message that RenCap is not welcome?

11 A. I don't think I had in my mind a
12 specific person. I think it was just that we
13 would come to know that -- that whether --
14 whether a client was bidding for this and it
15 would be awkward for us to be conflicted with a
16 client, whether this was considered a -- a
17 strategic energy grid -- I don't know what it
18 was, to be honest with you.

19 And whether a financial investor, an
20 American financial investor might not be
21 welcome, that we would just come to -- I didn't
22 have a specific thought in my mind, but that --
23 that -- that we would learn -- and that's
24 not -- I'm not saying today that that's a
25 correct assessment, that someone would let us

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1 talked about this. But what -- in your mind,
2 at this time, how were you differentiating
3 between sensitive and nonsensitive?

4 A. Major production, energy production
5 assets, oil in particular was -- it's a
6 strategic industry.

7 I seem to have thought or I seem to
8 have allowed for at the time that power was
9 sensitive. Because it's the power grid or
10 whatever they were doing. Whether they were
11 distribution or a producer, I don't -- I can't
12 recall.

13 But it seems that one of my
14 colleagues, all, like, thought that they
15 weren't sensitive, but for me power, oil, gas,
16 those are sensitive assets. Real estate, cash,
17 frozen cash is not sensitive. You know, retail
18 stores are not sensitive.

19 Q. How about pipelines?

20 A. Pipelines, generally, would be
21 considered sensitive.

22 Q. And then you said, last sentence of
23 that first paragraph, "I'm trying to look into
24 this one."

25 You stated that in the present tense.

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<p>1 I realize it's an e-mail that you're just 2 drafting. But you said this in the presence 3 tense: "I am trying to look into this one." 4 Do you recall what you were doing to try to 5 look into Lot 4? 6 A. No. No. 7 Can I finish -- just read the e-mail? 8 Q. Sure, by all means. 9 A. Maybe I referred to what I was doing. 10 Q. By all means. I'm going to keep 11 going through it anyway. 12 A. Oh, okay. Okay. Well, then if I -- 13 okay. 14 Q. Take your time. Read the whole 15 e-mail, please. 16 A. Yeah. I don't know -- I don't now 17 know -- I don't know, even if I had any 18 specific companies or individuals in mind then. 19 I may have. I may not have. But I 20 don't recall now. 21 Q. So in the -- you have now read the 22 whole e-mail. You know in the next paragraph, 23 the second sentence discusses the possibility 24 that the, quote, The Kremlin tells us we are 25 not welcome, unquote.</p>	<p>1 I don't know if this was one that 2 Lukoil had been looking at or not. But you 3 would call around -- which is not, by the way, 4 a state company. But if someone, if a company 5 like that didn't want us to participate and 6 it's a client, we're not going to do it. 7 So I probably -- I don't know if I 8 did. But if I -- if I were to have asked 9 around, to see whether the so-called Kremlin 10 would object -- excuse me. 11 Let me back up. 12 That was a differ -- that was -- my 13 reference to if someone objects was that we 14 would be told. 15 What I would have done to try to find 16 out whether we were stepping on any toes by 17 bidding, I would have called, I guess, to some 18 state companies in the power sector, maybe in 19 the oil sector if there was some overlap, maybe 20 some state banks. That's the best I can -- 21 Q. Would you have called Mr. Warnig? 22 A. Not about something like this, I 23 don't believe. That wouldn't be his thing. 24 Q. So the -- what you just described was 25 kind of a sector-specific, possible objection.</p>
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<p>1 What you did have in mind, when you 2 said the Kremlin might tell RenCap that it's 3 not welcome? 4 A. So in my parlance, and I think -- 5 this is not specific to me. Well, I think it's 6 a broader usage. "Kremlin" meant the 7 government, meant state companies, meant state 8 banks, things that were owned or controlled or 9 influenced by the State. 10 I'm sorry. Was your question what I 11 meant by "Kremlin"? 12 Q. Well, no. It was -- my question was, 13 what did you have in mind when you said the 14 Kremlin might tell RenCap that it's not 15 welcome? 16 A. I don't know. If I were to surmise, 17 which I think is a reasonable approach in 18 this -- that maybe we would have called -- I 19 don't know -- I'm not very knowledgeable then 20 and I -- sorry, now when I was -- not 21 knowledgeable then about the power sector, 22 didn't have a lot of -- I don't think I knew 23 then, and I'm afraid I don't know now who might 24 be some clients, state-related or others, that 25 might be trying to bid for this.</p>	<p>1 But then in the next paragraph of 2 your e-mail, you discuss the second -- I'll 3 just read it. 4 "The second scenario would be if 5 Branis" -- and Branis is the client who came to 6 RenCap with this proposal, returning to the 7 quote -- "is fronting someone who key Kremlin 8 officials do not want to win it. For example 9 (just for example), Chubais," which is spelled 10 C-H-U-B-A-I-S. 11 So I have to unpack that sentence a 12 little bit. The first question I want to ask 13 you is, what did you mean by "key Kremlin 14 officials"? Now we're not talking about the 15 Kremlin anymore. It's now key Kremlin 16 officials. So what did you mean by that? 17 A. I don't know now, and I don't know if 18 I knew then specific name -- I don't know if I 19 had specific names in my mind. Chubais, I 20 believe, at the time was the head of the main 21 state-controlled power company called UES. 22 But they're different factions. 23 And -- 24 Q. Within the Kremlin? 25 A. Well, within the government, within</p>

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<p>1 the government, within the Kremlin.</p> <p>2 Q. Sure.</p> <p>3 A. And -- and -- and it could have</p> <p>4 become -- it could have become politicized.</p> <p>5 And Renaissance was careful about which</p> <p>6 assignments it would pursue. We were sensitive</p> <p>7 about the views of the host government.</p> <p>8 Q. And you currently serve on the</p> <p>9 corporate board of a company called TMK; is</p> <p>10 that correct?</p> <p>11 A. Correct.</p> <p>12 Q. And Mr. Chubais also serves on that</p> <p>13 board; is that correct?</p> <p>14 A. Yes, he does.</p> <p>15 Q. How often does that board meet?</p> <p>16 A. Six or seven times a year, but often</p> <p>17 without his physical presence.</p> <p>18 Q. And why did you think that, in your</p> <p>19 words, key Kremlin officials might not want</p> <p>20 Mr. Chubais to win this particular auction?</p> <p>21 A. I think it's an unfortunate example</p> <p>22 of -- I don't know why he would be</p> <p>23 considered -- maybe something was going through</p> <p>24 my mind at the time, with the restructuring,</p> <p>25 that he was running for the power company. I</p>	<p>1 A. Yeah.</p> <p>2 Q. When you say "political angle," are</p> <p>3 you referring to the Russian government or the</p> <p>4 internal politics or something else?</p> <p>5 A. Sorry. Internal politics,</p> <p>6 internal --</p> <p>7 Q. In other words, when you said -- what</p> <p>8 did you mean by "political angle"?</p> <p>9 A. I guess I meant the sensitivity, the</p> <p>10 political sensitivity of our involvement.</p> <p>11 Q. So in the next e-mail of the chain,</p> <p>12 Mr. Jelezko says, they -- which I guess he</p> <p>13 meant Prosperity is not fronting for anyone.</p> <p>14 Do you recall whether you -- strike</p> <p>15 that.</p> <p>16 Did you subsequently have any</p> <p>17 conversations with -- I mean, you mentioned you</p> <p>18 would -- you would learn things from -- by</p> <p>19 calling energy companies and -- and the like.</p> <p>20 Did you ever have communications</p> <p>21 about this with anybody outside of RenCap to</p> <p>22 discuss the political sensitivity or anything</p> <p>23 else about the Lot 4 transaction?</p> <p>24 A. I don't know that we -- I don't know</p> <p>25 that I did.</p>
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<p>1 don't know. I don't know at this time.</p> <p>2 Q. Is it fair to say that it was</p> <p>3 important to you that RenCap not be seen</p> <p>4 working for a client who other factions within</p> <p>5 the government didn't want to win an auction?</p> <p>6 A. Well, if you look at my e-mail, we</p> <p>7 were -- what I was sensitive to, I believe, was</p> <p>8 that we would be the face of the bid.</p> <p>9 I -- it's normal institutional</p> <p>10 investors. Like Branis was, I believe,</p> <p>11 Prosperity Capital, which is a leading</p> <p>12 international equities investor, that they</p> <p>13 would bid through a -- a bank. But it's a</p> <p>14 financial investor. That's normal.</p> <p>15 If there were a strategic -- like</p> <p>16 Chubais's company, that we were -- that wasn't</p> <p>17 revealing itself, that would have been -- that</p> <p>18 would have been unusual for Renaissance as a</p> <p>19 broker-dealer to be fronting, unlike a</p> <p>20 financial investor where it would be more</p> <p>21 normal.</p> <p>22 Q. And then in the next paragraph, you</p> <p>23 basically say that you -- let's do it and,</p> <p>24 quote, I will learn in time what we can and</p> <p>25 can't do in terms of the political angle.</p>	<p>1 I don't know that I did. I think the</p> <p>2 thing was due that day.</p> <p>3 And then we seemed to have some time</p> <p>4 between then and -- and the auction. I don't</p> <p>5 believe I took any steps. But I -- I may have.</p> <p>6 If I did, I presume you have a record</p> <p>7 of it.</p> <p>8 Q. Do you know as you sit here what</p> <p>9 price the Lot 4 assets ultimately sold?</p> <p>10 A. No, I don't.</p> <p>11 Q. So then a little higher in the chain</p> <p>12 at -- it's at the top of page 2, it's now</p> <p>13 4:34 p.m. It's shown here at 16:34. It's a</p> <p>14 message from Mr. Jelezko to you and Stephen</p> <p>15 Jennings and Hans Horn.</p> <p>16 Mr. Jelezko says, "We have discussed</p> <p>17 it with Stephen on the risk committee, and</p> <p>18 Stephen will check Kremlin's reaction to our</p> <p>19 bid. We will not proceed until this is</p> <p>20 clarified."</p> <p>21 Does that reference to Stephen mean</p> <p>22 Mr. Jennings?</p> <p>23 A. I -- yes.</p> <p>24 Q. Do you know whether Mr. Jennings did</p> <p>25 anything to, in this parlance, check the</p>

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<p>1 Kremlin's reaction to the bid?</p> <p>2 A. I don't. And I took this to be a</p> <p>3 reflection of the fact that this wasn't a</p> <p>4 sector that my contacts and information would</p> <p>5 help us to address.</p> <p>6 Q. Now I'm going to show you another</p> <p>7 e-mail.</p> <p>8 ---</p> <p>9 (Foresman Exhibit 9 was marked for</p> <p>10 identification.)</p> <p>11 ---</p> <p>12 Q. And, Mr. Foresman, you're not on this</p> <p>13 one, so take your time -- and, again, the first</p> <p>14 question I'm going to ask is whether you've</p> <p>15 seen this before.</p> <p>16 THE WITNESS: (Perusing document.)</p> <p>17 A. No, no.</p> <p>18 Q. You say, no, you've not seen it</p> <p>19 before?</p> <p>20 A. Not that I recall, no.</p> <p>21 Q. So I should have asked you in</p> <p>22 connection with your earlier exchange: Who is</p> <p>23 Irina Khrabrova? Who was she at this time?</p> <p>24 A. I don't know that I knew her. I</p> <p>25 could probably figure -- I don't know who she</p>	<p>1 side investment banker.</p> <p>2 Q. How about Vladimir Blinov,</p> <p>3 B-L-I-N-O-V?</p> <p>4 A. So he would have worked for Ruben.</p> <p>5 He was an investment banker, in the investment</p> <p>6 banking department, focusing on oil and gas</p> <p>7 energy -- sorry. Oil and gas and power, I</p> <p>8 guess.</p> <p>9 Q. So did -- head of government</p> <p>10 relations is saying, "Please do not touch the</p> <p>11 subject and do not even come close to it."</p> <p>12 Do you know why -- I mean, let me --</p> <p>13 since you weren't on this e-mail, let me ask</p> <p>14 this way: Did Mr. Sagiryan ever communicate</p> <p>15 that view to you?</p> <p>16 A. Not that I recall.</p> <p>17 Q. And as you sit here today, do you</p> <p>18 know why he communicated this view on</p> <p>19 April 4th, 2007?</p> <p>20 A. I presume he felt it important to</p> <p>21 communicate it. So that -- to advise the firm</p> <p>22 not to participate, I presume.</p> <p>23 Q. And I don't know that I asked the</p> <p>24 question this way before, so let me just ask it</p> <p>25 to tie it up. Did anyone outside of RenCap</p>
Page 106	Page 108
<p>1 is. I don't know -- she was with a RenCap</p> <p>2 person, apparently. I'm not sure.</p> <p>3 Q. How about Igor Sagiryan,</p> <p>4 S-A-G-I-R-Y-A-N?</p> <p>5 A. So Igor was, I don't know if this was</p> <p>6 his official title, but I think he was the head</p> <p>7 of government relations. And that's how he was</p> <p>8 perceived, as like a GR function.</p> <p>9 Although he may have had a different</p> <p>10 title, I think that's how he was perceived.</p> <p>11 Maybe the GR reported in to him. I don't know.</p> <p>12 Q. And then there was another gentleman,</p> <p>13 whose name I'm going to butcher even worse than</p> <p>14 I've been butchering the others,</p> <p>15 Mr. Aganbegyan, A-G-A-N-B-E-G-Y-A-N. Do you</p> <p>16 know who --</p> <p>17 A. Not bad.</p> <p>18 Q. -- who he was?</p> <p>19 A. Yes. Yes, I do. So Ruben was an</p> <p>20 investment banker at RenCap, senior investment</p> <p>21 banker.</p> <p>22 At that time, he may have been a</p> <p>23 co-head of -- what we call IBD, investment</p> <p>24 banking department, or he may have still just</p> <p>25 been like a senior banker. He was a private</p>	<p>1 communicate to you any view that RenCap should</p> <p>2 not participate in the Lot 4 auction?</p> <p>3 A. Not to the best of my recollection.</p> <p>4 I don't recall even having looked at Lot 4</p> <p>5 auction until I saw e-mails much later from</p> <p>6 you.</p> <p>7 Q. So -- and then, again, I just want to</p> <p>8 make sure that I'm tying up all possible loose</p> <p>9 ends. To your knowledge, did -- to your</p> <p>10 knowledge, did anyone outside RenCap</p> <p>11 communicate to anyone inside RenCap that RenCap</p> <p>12 should not participate in the Lot 4 auction?</p> <p>13 A. Not to -- not that I'm aware of.</p> <p>14 Or not that I recall.</p> <p>15 ---</p> <p>16 (Foresman Exhibit 10 was marked for</p> <p>17 identification.)</p> <p>18 ---</p> <p>19 Q. I've just shown you a -- a RenCap</p> <p>20 memorandum -- and, again, take your time to</p> <p>21 look at it -- dated April 20, 2007. And,</p> <p>22 again, the first question I'm going to ask is</p> <p>23 whether you've seen this before today.</p> <p>24 THE WITNESS: (Perusing document.)</p> <p>25 A. Okay.</p>

<p style="text-align: right;">Page 109</p> <p>1 Q. Have you seen this memo before today?</p> <p>2 A. I don't think so. I -- there was</p> <p>3 something related to this matter in the</p> <p>4 production that I saw this week. But I -- but</p> <p>5 I don't recall being a memorandum without me --</p> <p>6 I -- if I saw this, I saw it for the first</p> <p>7 time, to the best of my recollection, this</p> <p>8 week.</p> <p>9 Q. Were you a member of the risk</p> <p>10 committee in April 2007?</p> <p>11 A. No, I was not.</p> <p>12 I don't believe I was. I don't</p> <p>13 recall having been.</p> <p>14 Q. And then I'll just -- you haven't</p> <p>15 seen it before, so -- but I'll direct your</p> <p>16 attention to the item number 1 where it says</p> <p>17 "political risk."</p> <p>18 And it says, "As it was explicitly</p> <p>19 stated by Stephen during discussion of another</p> <p>20 trade with Yukos assets during recent risk</p> <p>21 committee for Prosperity, we can't touch Yukos</p> <p>22 assets due to high political risks related to</p> <p>23 such a participation that is not agreed with</p> <p>24 the Kremlin."</p> <p>25 So I bring this up because the</p>	<p style="text-align: right;">Page 111</p> <p>1 participation would not be welcomed.</p> <p>2 I don't know if I used the word</p> <p>3 "approved." But that would be unwelcomed</p> <p>4 either -- for whatever reason.</p> <p>5 Q. So this memo uses the term "high</p> <p>6 political risks related to such participation."</p> <p>7 Would you -- this was not a memo you were on,</p> <p>8 but would you -- would you agree with that</p> <p>9 terminology, "high political risks"?</p> <p>10 A. I might say a high political</p> <p>11 sensitivity, but I wouldn't have a big problem</p> <p>12 with this wording.</p> <p>13 Q. So I'm going to now go back in time a</p> <p>14 couple of months.</p> <p>15 ---</p> <p>16 (Foresman Exhibit 11 was marked for</p> <p>17 identification.)</p> <p>18 ---</p> <p>19 Q. I'm willing to bet this is one you've</p> <p>20 seen before today, and that will be my first</p> <p>21 question again.</p> <p>22 A. If I can just read it.</p> <p>23 Q. Sure. Take your time.</p> <p>24 THE WITNESS: (Perusing document.)</p> <p>25 A. Okay.</p>
<p style="text-align: right;">Page 110</p> <p>1 Prosperity transaction is Lot 4. Correct?</p> <p>2 A. Yes. Correct.</p> <p>3 Q. And then --</p> <p>4 A. The Branis one. Yeah.</p> <p>5 Q. And to the best of your knowledge,</p> <p>6 does the Stephen reference here, again, refer</p> <p>7 to Mr. Jennings?</p> <p>8 A. Yes. It should, yeah.</p> <p>9 Q. Did Mr. Jennings, to your knowledge,</p> <p>10 express the view that RenCap should not, as</p> <p>11 this memo puts it, touch Yukos's assets?</p> <p>12 A. I don't -- I don't recall -- I don't</p> <p>13 recall him specifically stating that.</p> <p>14 But I -- yeah, I don't dispute it,</p> <p>15 but I don't recall it.</p> <p>16 Q. And was it your view at the time,</p> <p>17 in -- you know, 2007, that it would not be a</p> <p>18 good idea for RenCap to be participating in a</p> <p>19 Yukos auction if that participation was not</p> <p>20 approved of by the government?</p> <p>21 A. So I think there's lot of -- based on</p> <p>22 a lot of the documentary evidence, I think I</p> <p>23 went on record quite a few times as having a</p> <p>24 strong view that we should not have looked to</p> <p>25 participate in any Yukos auctions where a</p>	<p style="text-align: right;">Page 112</p> <p>1 Q. Do you recall writing this e-mail?</p> <p>2 A. I recall seeing it this week. I</p> <p>3 don't recall writing it, but I don't dispute</p> <p>4 that I wrote it.</p> <p>5 Q. That's exactly how I would answer a</p> <p>6 question under these circumstances. I have no</p> <p>7 problem with that answer.</p> <p>8 Do you recall how you knew that the</p> <p>9 next day's newspaper would run with a story</p> <p>10 that the first Yukos auction lot would be at</p> <p>11 stake in Rosneft?</p> <p>12 A. No, but I can assume. I can surmise.</p> <p>13 Q. To the best of your recollection?</p> <p>14 A. Probably asked -- called by a</p> <p>15 reporter asking if I know anything about this</p> <p>16 and -- for a story tomorrow, and that's</p> <p>17 probably how it happened.</p> <p>18 Q. Would that also be true with regard</p> <p>19 to the starting price of the auction?</p> <p>20 It says, "It appears that the</p> <p>21 starting price will be a 25 percent discount to</p> <p>22 today's or six-month average price."</p> <p>23 Do you know how you knew that?</p> <p>24 A. I'm quite -- I don't have a vivid</p> <p>25 recollection. But I'm quite confident, looking</p>

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<p>1 at the context, that anything that I wrote in 2 here, any specifics would have been conveyed to 3 me by a journalist who was looking to see if I 4 had any information to -- to give after she -- 5 or he gave some information to me. 6 Q. So the next sentence is, "I have 7 reason to believe that RC," which I assume 8 RenCap, "and only RC can pull off the trade of 9 our lives." 10 So what trade did you have in mind? 11 A. So I don't exclude some grandstanding 12 here on my part. 13 Awkward. 14 When I saw this in the -- I think in 15 the production for the first time, I had no 16 idea what -- what trade this was. 17 Having looked at thousands of pages 18 in the production, I think I figured out what I 19 was talking about. But seeing this -- until -- 20 if you had shown me this last week, I wouldn't 21 have known what this meant. 22 Q. So understanding that caveat -- 23 A. Yeah, yeah. 24 Q. And I do understand it. 25 So as you sit here today, what do you</p>	<p>1 sale. We would do a capital markets 2 transaction, a share placement into the -- into 3 the market -- 4 Q. So -- 5 A. -- with international investors. 6 Q. -- understanding that that's how -- 7 that's what you think you meant based on your 8 piecing together of the record, the next 9 sentence says, "I don't want to write more 10 here." 11 Do you know why you wouldn't have 12 wanted to put more detail in this message? 13 A. I believe so, yes. 14 Q. Why? 15 A. It's the last sentence. "This is 16 extremely sensitive, and we need to treat it 17 that way internally." 18 So I was sending it to Alexander 19 Pertsovsky, who at that point I think was 20 already -- he was already the CEO of the 21 investment bank; but for many years before 22 that, he was our head of equities trading. So 23 he was on the public side. 24 And this was very -- this was insider 25 information. This sort of an idea could --</p>
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<p>1 think you meant by it, understanding that you 2 can't necessarily tell me what you meant by it 3 at the time? 4 A. Okay. 5 I'll probably butcher -- butcher the 6 idea, which was raw to begin with, but 7 apparently, and now I'm -- it's starting to 8 come back to me in the course of this week, 9 although I had totally forgotten about it 10 before this week, that there was an auction lot 11 which somehow -- and I can't remember the 12 specifics, but somehow Yukos ended up with a 13 stake in Rosneft. 14 Yukos ended up with a stake in 15 Rosneft. And I used to know exactly why that 16 was, but I don't recall exactly now. 17 And I believe my idea was to do a -- 18 what we call an ECM transaction, equity capital 19 markets transaction, where we would -- 20 Renaissance as the -- as the leading broker, 21 book runner, would execute a share placement, 22 international inventors of that stake, instead 23 of, you know, Rosneft buying the stake, 24 whatever, or some other Chinese or BP buying a 25 stake, which would be considered a strategic</p>	<p>1 Rosneft was already publicly traded. So this 2 had to stay on the private side of the 3 investment bank. 4 And I was -- that was a gentler, 5 other way to say to Sasha, "You can't forward 6 this to anybody in sales and trading research." 7 Q. And you also characterized this 8 idea -- the idea that you had as being one that 9 would, in your words, allow the Kremlin to show 10 that the auction of Yukos assets is not rigged 11 but rather is competitive? 12 A. Yeah. 13 Q. How would -- how would your idea have 14 allowed the Kremlin to show that? 15 A. Because it would have been a public 16 market transaction, to -- it would have been a 17 capital markets transaction with -- with a host 18 of international investors that wouldn't -- 19 that weren't going to -- that they were going 20 to only bid based on commercial terms -- or not 21 bid. 22 Q. Please. 23 A. So the -- a lot of the PR, including 24 from the claimants and associates, was that 25 these auctions would be rigged, and the buyers</p>

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<p>1 were known in advance. And I thought, what 2 would make commercial sense is we do a capital 3 markets transaction. That -- that's -- that 4 would have been contrary to the view. That's 5 what I meant at the time. I'm not saying it 6 was a clever idea, but -- 7 Q. And you said in the -- in the last 8 paragraph, "I didn't think this up out of thin 9 air." 10 So I assume you had done some 11 thinking about it. Do you recall what you had 12 done to -- to -- 13 A. No. 14 Q. -- germinate this idea? 15 A. No, but it's very possible -- I 16 haven't read every word that was produced to me 17 in the recent week or two. But it may be in 18 there. 19 No. I -- so I had a discussion, a 20 meeting at some point, a meeting or phone call 21 at some point with Peter O'Brien, who was the 22 vice president of Rosneft. And as your records 23 will show, he said, Clever idea, 24 outside-the-box thinking, appreciate it, 25 but -- but that's not -- that's not the path</p>	<p>1 Do you know what litigation risk you 2 had in mind? 3 A. Sorry. Give me just one second. 4 Q. Take your time. 5 A. I read this in your presence, but I 6 didn't see that. 7 I would have known at the time, and 8 maybe it's documented in these e-mails. 9 Mitigates the litigation risk. 10 I'm not sure what -- I'm not sure 11 what -- I trust that it was a sensible idea at 12 the time. 13 Q. Might it have been the possibility 14 that Rosneft would be sued by Yukos's 15 shareholders? 16 A. But why would this reduce that risk? 17 I mean, there was -- there was litigation risk, 18 no question. Rosneft and the Yukos 19 shareholders. But I don't know why this idea 20 would have mitigated that necessarily. 21 Q. Let me try coming at it this way: Do 22 you know what ultimately happened to the -- 23 well, Yukos's shares in Rosneft? 24 A. I suspect I did at the time, but I 25 would be grateful to you -- I don't know now.</p>
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<p>1 that, at least from Rosneft's perspective, that 2 we're going to pursue. 3 So I may have spoken. I -- I don't 4 know that I did. But I may have spoken to him 5 in advance of this, and that he might have been 6 intrigued. This e-mail may have been, not 7 necessarily, but may have been in between the 8 time that I first raised it with him or he 9 thought it was intriguing, didn't think it up 10 in thin air. He -- maybe he even gave me some 11 feedback between the initial raising it and him 12 saying, Thanks, but we are going to go a 13 different direction. 14 I don't believe that he looked at my 15 idea or heard my idea in one meeting and said, 16 No; we're going to go in a different direction. 17 So -- but that's my recollection much 18 later today. 19 Q. Understood. 20 You also mentioned, in your words, 21 Rosneft's -- Rosneft's litigation risk. 22 Do you know what you meant by -- 23 that's -- that's three lines up from the bottom 24 of the first paragraph. "Materially mitigates 25 Rosneft's litigation risk."</p>	<p>1 Q. Rosneft obtained them. 2 Do you know at what price? 3 A. No. I would have at the time. 4 Q. So -- but it -- would it -- would it 5 make sense that if the -- as you sit here 6 today, would it make sense that if the price 7 was at a substantial discount to the market, 8 Yukos's shareholders might have had a stronger 9 claim against Rosneft than if it was a market 10 transaction? 11 A. Yes, understood, yeah. That may have 12 been. That is sensible. I don't know that 13 that's what I was thinking, but it sounds 14 sensible. 15 Q. But as you sit here today, you don't 16 know what ended up happening to these shares? 17 A. No. No. But your answer sounds 18 plausible. And it's certainly in the public 19 domain. 20 Q. And -- strike that. 21 Top e-mail shows that Mr. Pertsovsky 22 wanted to meet with you. Did you, in fact, 23 meet with him to discuss this transaction? 24 Or -- 25 A. Let me just check the dates.</p>

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<p>1 Two -- 2 (Witness reviewing document.) 3 Q. He just said, "Let's meet today." 4 A. Yeah. I don't know. I -- 5 Q. You don't know? 6 A. -- suppose I -- he was the CEO. I 7 suppose I met him, but I don't recall. 8 Q. You don't recall anything you might 9 have discussed with him? 10 A. No. But he was a -- his background 11 was head of equity trading, so this was very 12 much in his sweet spot. He had -- he had 13 overseen sales and trading. 14 Q. Do you recall what happened with your 15 idea after this day? Did anything happen with 16 your idea after this day? 17 A. Only -- I had forgotten about this 18 idea until the production. 19 And to the best of my recollection, 20 as one of the e-mails said, that I brought it 21 to Peter O'Brien at Rosneft. And he said, you 22 know, something like, Clever, outside-the-box 23 thinking, but that's not the approach that 24 we're going to take. And nothing was pursued. 25 Q. I think you correctly anticipated the</p>	<p>1 Do you recall who the friend you 2 spoke with was? 3 A. So that was not Peter O'Brien. Peter 4 was flagged separately. 5 So I presume -- if I've given that -- 6 I presume it was Matthias Warnig. 7 Yes. So I -- I presume it was 8 Matthias, yeah, who then said there's a 9 different -- that Rosneft wasn't interested in 10 this. Yeah. 11 Q. So let's -- given the -- you 12 mentioned earlier the internal sensitivity of 13 the idea. So -- so now your e-mail is to 14 Mr. Jennings, Mr. Pertsovsky. Who is Chris 15 Baxter? 16 A. He was at that point either the 17 co-head of IBD, investment banking department, 18 with Ruben, or he was the sole head, or he 19 was -- I think that was before -- at some point 20 he was -- but I think after the Lot 19 auction, 21 he was the head of Renaissance Partners. That 22 would have been probably 2008. So he was 23 either the head of the investment banking 24 department or senior -- he was private side 25 investment banking.</p>
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<p>1 very next document I was going to show you. So 2 hold on. 3 --- 4 (Foresman Exhibit 12 was marked for 5 identification.) 6 --- 7 Q. I'm going to ask you the same first 8 two questions before, which is, do you remember 9 writing this e-mail at the bottom? And then 10 did you see it before today? 11 So do you remember writing this 12 e-mail? 13 A. No, but it's -- I don't dispute that 14 I did. 15 Q. And is this something that you 16 reviewed in preparation for your deposition 17 today? 18 A. I -- yes. I believe so, yes. 19 Yes, I did. 20 Q. So looking at the -- at the -- this 21 is two e-mails, and I'm looking at the bottom 22 one, which is from you to several people. 23 And you said, "Spoke with my friend, 24 who showed our Rosneft trade presentation to 25 the necessary person."</p>	<p>1 Q. And Andrew Cornthwaite? 2 A. Cornthwaite was at some point the 3 co-head of IBD, investment banking department, 4 with Ruben. I think by this stage, I think he 5 was our -- what we call our global head of 6 equity capital markets. So, again, private 7 side, equity capital markets. 8 Q. And then the last new name is Anton 9 Cherny? 10 A. Equity capital markets, banker, MD. 11 Q. And so, I mean, are these all people 12 who were kind of within what you considered to 13 be the internal sensitive group who should be 14 thinking about this transaction? 15 A. Yes. They're all private side of the 16 Chinese wall. Yes. 17 Q. So you believe -- you're friends with 18 Mr. Warnig. Do you know who he showed the -- 19 who the necessary person was that's referred to 20 here? 21 A. I assume that that would have been 22 the CEO, Mr. Bogdanchikov. 23 Q. And then you said, "Unfortunately, 24 they have a different agenda for the auction 25 than what I proposed."</p>

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1 Who is the "they"?

2 A. Rosneft.

3 Q. So Rosneft had a different agenda for
4 the auction of its shares?

5 A. Well, you had -- that's -- as I
6 understood it.

7 Q. And -- and the -- the -- the Rosneft
8 trade presentation was your -- was it a -- I'm
9 sorry. Strike that.

10 It mentions here a Rosneft trade
11 presentation or a pres. Was there some written
12 document pertaining to this that was shown,
13 or -- do you know what you meant by that?

14 A. Apparently there was, because I said
15 that my friend showed Rosneft a trade
16 presentation, so that implies that we gave --
17 certainly my friend didn't write a
18 presentation. So we must have given a
19 presentation, which I haven't seen in the
20 production, but we would --

21 Q. Do you recall having put one
22 together?

23 A. No. But it sounds like we did. And
24 I don't know that I would have put it together,
25 because that wasn't my thing.

1 as you mentioned, you had separately flagged
2 Mr. O'Brien. So you discussed the idea with
3 Mr. O'Brien. Do you remember what Mr. O'Brien
4 told you?

5 A. No, other than what's in this e-mail,
6 that -- that he appreciated it; that it was
7 outside-the-box thinking; and that we should
8 get some kudos or goodwill points for showing
9 it to them.

10 And then he said -- confirmed again
11 that they'll give us serious equities business
12 in 2007.

13 Q. Did Mr. O'Brien tell you that he had
14 nothing to do with the Yukos auctions?

15 A. Did he tell me -- when I asked him --
16 can I --

17 Q. Sure.

18 A. I would say "not necessarily" would
19 be the answer. And when I had spoken to him
20 when he was on vacation in August of 2007 about
21 the auction Lot 19, he said he wasn't involved
22 in the -- and whether it was that Yukos auction
23 or the Yukos auctions, I don't recall at this
24 point whether he told me he had nothing to do
25 with Yukos auctions, that he was -- yeah. So

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1 Q. So when you said here, "They have a
2 different agenda for the auction than what I
3 proposed," I mean, is that -- does that suggest
4 that your suspicion that these auctions might
5 be rigged was correct?

6 MR. PEES: Objection.

7 A. No.

8 MR. PEES: Objection.

9 Go ahead.

10 A. No.

11 Q. What was -- what did you mean by
12 Rosneft's -- "Rosneft's agenda for the
13 auction"?

14 A. I don't know that I knew at the time
15 that Rosneft -- what Rosneft's agenda was. But
16 you told me a few minutes ago that Rosneft
17 ended up buying the shares. So -- so they --
18 they didn't like our idea, from what I recall
19 now, because they had a different plan. They
20 were going to buy this principal.

21 Q. But as you sit here, you don't know
22 the discount at which Rosneft bought the
23 shares?

24 A. No, I don't.

25 Q. So the e-mail also says that you --

1 I -- I don't remember a blanket statement from
2 him, certainly at this point, that he has
3 nothing to do with the Yukos auction.

4 But I remember specifically when I
5 called him in, I think it was August 2007 about
6 Lot 19, where he said, I'm not involved -- he
7 was on vacation, said, "I am not involved in
8 that." I don't know that that was a blanket
9 answer, and that was the last auction lot,
10 so --

11 Q. So, as you mentioned, he,
12 Mr. O'Brien, said that you should get some
13 goodwill points for showing the idea to them.
14 To your knowledge, did you cash in those
15 goodwill points at some point?

16 A. Not that I recall, no.

17 No, actually.

18 MR. PEES: How are we doing on the
19 tape? We have a while left.

20 MR. JACOBSON: If you need a break,
21 we can take one. I just --

22 MR. PEES: At some point I will. But
23 I don't want to interrupt your flow of
24 questioning.

25 MR. JACOBSON: Yeah. Let's -- let's

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<p>1 do this and one more, so about ten more -- 2 about eight minutes. 3 MR. PEES: That's perfectly fine. 4 --- 5 (Foresman Exhibit 13 was marked for 6 identification.) 7 --- 8 Q. It will the same first question, 9 whether you've seen this document before. 10 A. So let me just read it one more time. 11 Q. Of course. 12 A. Yes, I have seen it before. 13 Q. Did you prepare this document? 14 A. Sorry. But can I still read it? 15 Q. Of course. 16 THE WITNESS: (Perusing document.) 17 A. Okay. I'm sorry. Could you 18 repeat -- 19 Q. Sure. Did you prepare this document? 20 A. No, I did not. 21 Q. Do you know who did? 22 A. I can surmise based on the document, 23 but I don't know that I knew -- 24 Q. Understanding that it's just a 25 surmise, who do you think wrote this?</p>	<p>1 understanding. My assumption, which turned out 2 to be incorrect, at least on one occasion or 3 two occasions, was that the main production 4 assets would go to Rosneft, because they had 5 bought the biggest production asset, YNG. 6 And I'm not an in-the-weeds oil 7 analyst. But my assumption was that a lot was 8 tied in with the main production asset. These 9 aren't just separated business. Rosneft had 10 bought the main production asset, which Gazprom 11 had intended to acquire. But the Houston 12 Bankruptcy Court got involved. 13 THE COURT REPORTER: I'm sorry. 14 What? 15 A. Sorry. But the Houston Bankruptcy 16 Court got involved. So Rosneft bought the main 17 production asset. 18 And it was my assumption, not an 19 understanding, that -- that they would likely 20 bid for the other large, at least oil-producing 21 assets. And other bidders were being scared 22 away from the PR. 23 So is it -- it was -- I think it was 24 a fair assumption. It did turn out to be wrong 25 on at least one occasion when other oil</p>
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<p>1 A. It says, "Prepared by VB," Vladimir 2 Blinov. 3 Q. Did you -- do you remember whether 4 you reviewed this document at the time it was 5 prepared? 6 A. I don't -- I've seen this a few 7 times. This -- and -- from the production. I 8 don't recall that I had seen it -- I don't 9 exclude that I did, but I don't recall that I 10 saw it or read it at the time, but I may have. 11 Q. So you know where I'm going with 12 this. In the background section, it says, 13 "Despite that Russian law prescribes all assets 14 to be sold through open auctions, it is 15 understood," with the "understood" in quotes, 16 "that in this case, key assets are likely to go 17 to Rosneft." 18 I'm ending the sentence early. But 19 was that your understanding at -- in October of 20 2006? 21 A. So it was apparently Mr. Blinov's 22 understanding. 23 Q. I was asking whether it was your 24 understanding as well. 25 A. My assumption -- I didn't have an</p>	<p>1 companies bought an important asset. 2 Q. So in the -- it also says this is 3 a -- a new business form to discuss valuing 4 assets. And it says that selected consultants 5 work -- 6 A. I'm sorry. 7 Q. Of course. 8 I've done that before too. 9 A. That was quite a distance. 10 I'm sorry. 11 Q. It says, "Selected consultants work 12 is likely to be heavily affected by state 13 Rosneft agenda." 14 A. Uh-huh. 15 Q. Which is tied together with when it 16 says, "Any potential reputational issues for 17 RenCap's state agenda and Rosneft influence --" 18 THE COURT REPORTER: Counsel, slow it 19 down, please. 20 MR. JACOBSON: Sure. 21 Q. -- "state agenda and Rosneft 22 influence might result in significant pressure 23 on advisors' independence and integrity." 24 So was there concern that pressure 25 would be exerted to shade the valuations based</p>

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<p>1 on, as this terms it, Rosneft's agenda?</p> <p>2 A. Let me read this with -- that I</p> <p>3 didn't write at the time. Let me read it</p> <p>4 again.</p> <p>5 THE WITNESS: (Perusing document.)</p> <p>6 A. Okay. I'm sorry. Could you then</p> <p>7 repeat the question?</p> <p>8 Q. Sure. Were you --</p> <p>9 A. I see the area that you're talking</p> <p>10 about.</p> <p>11 Q. Did -- did -- did you -- I'm going to</p> <p>12 ask you in particular, and then I'll generalize</p> <p>13 it to RenCap.</p> <p>14 Did you have a concern that the</p> <p>15 state's agenda or Rosneft's agenda would exert</p> <p>16 pressure on RenCap to shade valuations to suit</p> <p>17 that agenda?</p> <p>18 A. I wouldn't use today and I don't</p> <p>19 believe I would have thought in these terms</p> <p>20 back then, shade valuation. But I would have</p> <p>21 been concerned that, given the sensitivity of</p> <p>22 the Yukos saga with the Russian state, that</p> <p>23 anybody advising on that process, including</p> <p>24 valuation, could have to navigate through a</p> <p>25 host of pressures, as I had had to do in the</p>	<p>1 the auction for Lot 8?</p> <p>2 A. Sorry. Lot -- where do you see</p> <p>3 reference to Lot 8? Sorry.</p> <p>4 Q. I --</p> <p>5 A. The Khanty-Mansisk Bank.</p> <p>6 Q. Yeah. I thought -- oh, so was</p> <p>7 that -- that was not Lot 8?</p> <p>8 A. It may be. I don't know --</p> <p>9 Q. I'm sorry. Did -- just in case I'm</p> <p>10 wrong, let me ask you: Did RenCap seek to</p> <p>11 participate in the auction for the shares in</p> <p>12 Khanty -- you're better at pronouncing it than</p> <p>13 I am.</p> <p>14 A. The Khanty-Mansisk Bank, K-H-A-N-T-Y</p> <p>15 M-A-N-S-I-S-K bank.</p> <p>16 Khanty-Mansisk.</p> <p>17 Sorry. Could you repeat your</p> <p>18 question?</p> <p>19 Q. To your knowledge, had RenCap tried</p> <p>20 to participate in the auction for those shares</p> <p>21 in this bank?</p> <p>22 A. I did not recall that prior to the</p> <p>23 production. And somewhere -- I don't know if</p> <p>24 you have them with you -- there were e-mails.</p> <p>25 I think it was on this one. I think it was on</p>
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<p>1 previous role. I would not have thought in</p> <p>2 terms of shady evaluations, if that -- you</p> <p>3 know.</p> <p>4 Q. So I want to do one more document.</p> <p>5 A. Okay.</p> <p>6 Q. And then we'll -- then I'll</p> <p>7 accommodate the request for a break.</p> <p>8 A. I've had three cans of water, so --</p> <p>9 Q. Two-minute break.</p> <p>10 A. Yes.</p> <p>11 Q. And if you need it more urgently,</p> <p>12 that's fine too.</p> <p>13 A. No. That's okay.</p> <p>14 ---</p> <p>15 (Foresman Exhibit 14 was marked for</p> <p>16 identification.)</p> <p>17 ---</p> <p>18 Q. Let me know when you're ready.</p> <p>19 THE WITNESS: (Perusing document.)</p> <p>20 A. Okay.</p> <p>21 Q. Did you -- have you seen this</p> <p>22 document before today?</p> <p>23 A. I saw it reviewing things this week.</p> <p>24 I -- yes.</p> <p>25 Q. And did RenCap seek to participate in</p>	<p>1 Khanty-Mansisk Bank.</p> <p>2 Where our Renaissance asset</p> <p>3 management fund, RenFin, which was a fund,</p> <p>4 sought to participate, as did the RenCap as a</p> <p>5 principal or RenCap, an investment -- probably</p> <p>6 an investment banking client, I think.</p> <p>7 And so there was some conflict there.</p> <p>8 So I think we did, according to these, seek to</p> <p>9 participate. I can't remember whether the</p> <p>10 decision was made to participate as Renaissance</p> <p>11 investment management, the RenFin fund, or on</p> <p>12 behalf of an investment banking client or as a</p> <p>13 principal. But I think the -- the short answer</p> <p>14 is yes, but I have to explain that nuance.</p> <p>15 Q. And do you recall whether the Russian</p> <p>16 FAS excluded whichever the bidding -- RenCap</p> <p>17 bidding entity was as a potential bidder?</p> <p>18 A. Yes, I recall from seeing the e-mails</p> <p>19 that I saw. I frankly hadn't remembered this</p> <p>20 transaction. But my -- I saw the e-mails from</p> <p>21 this week that indicated that that's what</p> <p>22 happened.</p> <p>23 Q. And do you recall having gotten a</p> <p>24 call from someone named Shokhin, S-H-O-K-H-I-N,</p> <p>25 to see whether you were interested in getting</p>

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<p>1 the auction redone?</p> <p>2 A. I don't recall that, but I don't</p> <p>3 dispute it, because it's here in the e-mail</p> <p>4 from me.</p> <p>5 Q. And who -- who is Mr. Shokhin?</p> <p>6 A. Mr. Shokhin was a senior advisor to</p> <p>7 Renaissance Capital. He had been a -- a deputy</p> <p>8 prime minister in the '90s for economic</p> <p>9 matters. And I believe he was then, and</p> <p>10 remains today, the chairman of the Russian</p> <p>11 Union of Industrialists and Entrepreneurs,</p> <p>12 which is the chief business lobby or business</p> <p>13 organization in Russia. And he was the senior</p> <p>14 advisors to Renaissance.</p> <p>15 Q. Was he also a friend of the Yukos</p> <p>16 bankruptcy receiver, Mr. Rebgun?</p> <p>17 A. I have no idea. Not that I'm aware</p> <p>18 of. Did I mention that? I'm not aware. I'm</p> <p>19 not -- I'm not aware of ever having heard that</p> <p>20 or known that.</p> <p>21 Q. And Mr. Shokhin also serves with you</p> <p>22 on the TMK board; is that correct?</p> <p>23 A. That is correct.</p> <p>24 Q. How did you come to serve on that</p> <p>25 board, by the way?</p>	<p>1 But I think that the record should</p> <p>2 show whether we did or we didn't.</p> <p>3 Q. And then last question, and then we</p> <p>4 can take break. You mentioned a few questions</p> <p>5 ago, you said that as you had -- we can have</p> <p>6 the reporter read it back, but it was something</p> <p>7 along the lines of, as you had navigated it,</p> <p>8 navigated political pressures in a previous</p> <p>9 role. What did you mean by that?</p> <p>10 A. For the Yuganskneftegaz valuation --</p> <p>11 THE COURT REPORTER: I'm sorry. For</p> <p>12 the what?</p> <p>13 A. Sorry. YNG. YNG valuation, while</p> <p>14 with Dresdner.</p> <p>15 Q. So you had -- did you come under any</p> <p>16 pressure yourself during that valuation to</p> <p>17 cause it to say or not say anything in</p> <p>18 particular?</p> <p>19 A. I wouldn't describe it as that I came</p> <p>20 under pressure but the -- I would describe it</p> <p>21 as the justice -- the bailiff, the chief</p> <p>22 bailiff misrepresented our valuation and</p> <p>23 compelled us to put it on our website.</p> <p>24 Q. Forgive me. I do have one --</p> <p>25 A. That's okay.</p>
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<p>1 A. So TMK was -- TMK was a client for</p> <p>2 mine back in the -- probably from like 2004 or</p> <p>3 '5. When I left to Renaissance, it remained a</p> <p>4 client. We had helped to take it public.</p> <p>5 And then right before the 2008</p> <p>6 financial crisis, unfortunately, they spent a</p> <p>7 lot of money buying an American -- a North</p> <p>8 American pipe producer.</p> <p>9 So the company now has 10 or 12</p> <p>10 plants in the United States. And so I was</p> <p>11 asked, I think, five or six years ago when I</p> <p>12 was at Barclays if I would serve as an</p> <p>13 independent director. I replaced Ambassador</p> <p>14 Thomas Pickering, who was one our most</p> <p>15 distinguished ambassadors. They wanted to have</p> <p>16 some people with a U.S. knowledge and presence.</p> <p>17 Q. So do you -- as you --</p> <p>18 A. Mr. Chubais, for the record, joined,</p> <p>19 I think, two years ago. Well after I did.</p> <p>20 Q. Do you recall, as you sit here today,</p> <p>21 whether RenCap expressed an interest in having</p> <p>22 the -- this auction process redone?</p> <p>23 A. I can't recall. I can't recall. It</p> <p>24 wasn't a big thing in my world, 2 percent of</p> <p>25 Khanty-Mansisk Bank.</p>	<p>1 Q. I promise this --</p> <p>2 A. Yeah.</p> <p>3 Q. Do you know whether the Federal</p> <p>4 Antimonopoly Service had any legitimate reasons</p> <p>5 to exclude RenCap from the bidding for Lot 8?</p> <p>6 A. I'm not --</p> <p>7 MR. PEES: For the assumption of</p> <p>8 this -- for the purposes of this question,</p> <p>9 we're assuming that Lot 8 is the Khanty?</p> <p>10 MR. JACOBSON: Correct. Yeah.</p> <p>11 A. I'm not aware that I ever looked into</p> <p>12 that or ever heard about that. I just don't --</p> <p>13 I just don't know. I wasn't -- I wasn't really</p> <p>14 dealing with it.</p> <p>15 MR. JACOBSON: Let's take a break.</p> <p>16 Thank you for your indulgence.</p> <p>17 THE VIDEOGRAPHER: We're off the</p> <p>18 record at 11:50 a.m. This marks the end of</p> <p>19 Media 2.</p> <p>20 (Recess from 11:50 to 11:59.)</p> <p>21 THE VIDEOGRAPHER: We are back on the</p> <p>22 record at 11:59 a.m. This marks the beginning</p> <p>23 of Media 3.</p> <p>24 Q. So Lot 19.</p> <p>25 Do you recall the means by which</p>

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<p>1 Mr. Lynch first contacted you about Lot 19? 2 Was it telephone? e-mail? in person? Do you 3 recall the means? 4 A. I do not recall the means. 5 I don't recall the means, no. 6 I presume he would have had to call 7 to even meet, but I don't know whether -- 8 Q. Yeah. I assume you met at some 9 point. But I was wondering whether, if you 10 remembered whether the first approach you had 11 from him was by e-mail or another means, like a 12 call. And you don't remember. 13 A. I don't remember. I don't remember. 14 But I believe it was more likely a 15 meeting or a phone call. 16 Q. So I -- I'm going to come back to 17 Lot 19 in one second, and we're going to spend 18 a fair amount of time on it. But do you know 19 someone at RenCap named Irina (phonetic) 20 Illyina, I-L-L-Y-I-N-A? 21 A. Yeah. She's not at RenCap now. But, 22 yes, I knew Irina. 23 Q. And what was -- what was her job at 24 RenCap when you were there? 25 A. Her job was my personal assistant.</p>	<p>1 asking these questions is the record doesn't 2 show it. 3 A. Okay. 4 Q. And we don't -- we don't have an 5 e-mail -- we don't haven't e-mail from him to 6 you. What -- I'm trying to figure out if there 7 might have been one and you don't remember. 8 So -- in -- please. 9 A. I'm sorry. If there was an e-mail 10 from Mr. Lynch to me, you would have it in your 11 cache. 12 Q. So if Mr. Lynch was of the view that 13 he had sent you an e-mail, would you disagree 14 with that? I mean, you just don't remember one 15 way or the other? 16 A. No, I would not. 17 Q. What is this -- can you recall the 18 setting of your first discussion with Mr. Lynch 19 about the Lot 19 idea? 20 A. No. I -- it was not at that time 21 memorable. 22 In retrospect, it's become very 23 memorable, the whole event. At that point it 24 was a drop in the ocean. 25 Q. And so you don't remember, for</p>
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<p>1 Q. And on September 6, 2009, did you 2 e-mail Ms. Illyina and ask her to empty the 3 deleted items folder in your Microsoft Outlook 4 account? 5 A. Per the documents that were produced, 6 yes, I did. 7 Q. Why did you do that? 8 A. That was the day, as I recall, that I 9 resigned from Renaissance Capital to go to 10 Barclays. I was discussing -- because I didn't 11 use a personal e-mail much or at all. And I 12 was having those discussions with the 13 headhunter and with Barclays from my 14 Renaissance computer. She was in the know 15 because I took her to Barclays and then took 16 her to UBS. 17 Q. Do you recall having received an 18 e-mail from Mr. Lynch at any time pitching the 19 idea of his -- pitching his Lot 19 idea? 20 A. I -- I don't -- I don't recall. I 21 don't know -- and the record would show. I 22 don't know if I ever got an e-mail from 23 Mr. Lynch before July 2018 -- or 2007 on 24 anything. 25 Q. I think the -- part of the reason I'm</p>	<p>1 example, whether he called you to arrange a 2 meeting or ran into you? You just don't 3 remember one way or the other? 4 A. Only thing I remember is that it was 5 his initiative to contact me, whether that was 6 by phone to set up a meeting, whether it was by 7 phone to tell me an idea. I think it is highly 8 implausible that I bumped into him because he 9 was seeking me out. 10 And -- but other -- I don't have any 11 recollection of that -- the circumstance of 12 that first meeting. It wasn't memorable at the 13 time. 14 Q. And do you recall when you first 15 discussed the idea with Mr. Jennings? 16 A. I'm not sure that I do. 17 I have some thoughts, but I'm not 18 sure that I do recall the first time I 19 discussed it with Mr. Jennings. 20 Q. And at some point, you met with 21 Mr. Lynch and Richard Deitz together. Is that 22 correct? 23 A. That's correct. 24 Q. Do you remember where that meeting 25 took place?</p>

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<p>1 A. I have a recollection which is not 2 absolutely vivid, but I believe it was in 3 Mr. Deitz's office. 4 Q. I've heard tell that Mr. Deitz 5 doesn't like leaving his office for meetings? 6 Is that -- 7 A. During the trading hours, yes. 8 Q. So it would be -- you would agree 9 with me that it's fairly likely that if 10 Mr. Deitz was in a meeting, it was at his 11 office? 12 A. Given that globally, it's always 13 someone's trading hours, yes, I think it was in 14 his office. 15 Q. And do you recall how long past from 16 the first time you and Mr. Lynch discussed the 17 idea to the time that you and Mr. Lynch and 18 Mr. Deitz all met together? 19 A. Not exactly, but it would have been 20 less than a couple weeks and maybe even -- I'm 21 sorry. Could you repeat the question? 22 Q. You got it. It was from the first 23 time you and Mr. Lynch discussed the idea, 24 until you and Mr. Lynch and Mr. Deitz all 25 met --</p>	<p>1 buying its bidding vehicle, but that the -- no 2 other issue would have been germane, if we 3 didn't have a discussion with them about their 4 attachments. 5 Q. Was Mr. O'Brien, Peter O'Brien, the 6 first person you contacted at Rosneft to 7 discuss the Lot 19 issues? 8 A. Yes. 9 Q. And he was on vacation, as you said. 10 A. As I recall, yes. In August. 11 Q. Mr. O'Brien serves with you on the 12 TMK board, too, doesn't he? 13 A. He does, yes. 14 Q. Small world. 15 A. Yes. Small expat community. 16 Q. So when Mr. O'Brien advised that he 17 was uninvolved in the issues, what did you next 18 do to further your desire to bring Rosneft to 19 the table? 20 A. I have a very vague recollection of 21 what transpired between the time that Lynch 22 first brought the Lot 19 idea to me, which is 23 at the end of July or early August, and the 24 flurry of the activity closer to August 12 and 25 13 when we actually heard from Rosneft that</p>
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<p>1 A. Yeah. 2 Q. -- how long transpired. And I think 3 you got the question. 4 A. Yeah. 5 Yeah. I -- so I -- 6 MR. PEES: I think you answered the 7 question. 8 THE WITNESS: Okay. Yes. 9 Q. At some point in your thinking about 10 the Lot 19 transaction, did it seem appropriate 11 to you to bring Rosneft into the discussion? 12 A. At some point, yes. 13 Q. Why did you think it was necessary to 14 bring Rosneft into the discussion? 15 A. Because they were a key stakeholder. 16 They were -- they had the attachments, things 17 that I speak about relatively fluently now, but 18 didn't then. But they had attachments. And -- 19 Yukos Finance. 20 Q. Was there any other reason, in your 21 mind, as to why Rosneft should be brought into 22 the discussion besides their attachments on the 23 assets? 24 A. There are other things that we 25 discussed with Rosneft, including eventually</p>	<p>1 they were intrigued by our proposal and wanted 2 to learn more. 3 So I can't recall today whether I had 4 any... 5 Q. When you -- when you reached out to 6 Mr. O'Brien, did you tell him why you were 7 trying to get Rosneft involved in the 8 discussions? 9 A. I don't -- I don't recall what I told 10 him. I believe that I told him that we had 11 a -- an idea we wanted to -- I wanted to 12 discuss, this auction, 19. And I believe at 13 that point he said, I'm not involved, and I'm 14 on vacation. 15 So I don't believe I -- I don't 16 believe I described to him what -- what our 17 thesis was, to the best of my recollection. 18 Q. But so I -- I don't -- if you -- if 19 you answered the question, I didn't -- I didn't 20 hear it. 21 When Mr. O'Brien said that he was not 22 able to help you, what did you do next in order 23 to bring -- who did you contact next in order 24 to try to start a discussion with Rosneft? 25 A. See, I don't recall whether I spoke</p>

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<p>1 to Peter O'Brien, upon Lynch first having 2 approached me in early August or end of July or 3 when we learned that Rosneft had registered a 4 bidding vehicle on or about the 12th of August. 5 But there was nobody at Rosneft that 6 I can recall having -- having spoken with, 7 other than that one phone call to Mr. O'Brien, 8 until such time as I was in contact with their 9 external lawyer. 10 Q. And did you know -- at the time you 11 were having this first conversation or 12 attempted conversation with Mr. O'Brien, did 13 you know that Rosneft had attachments on the 14 assets in Lot 19? 15 A. I suppose I must have, because the 16 only time I had thought about Lot 19 was after 17 Lynch explained to me his so-called thesis. 18 And my reaction, while documented, we 19 don't want a hostile situation with either of 20 these two protagonists. 21 I'm presuming that he would have 22 given me enough context to talk about claims or 23 attachments or liens, whatever terminology. 24 But in speaking with Mr. O'Brien, again, I 25 don't recall having said anything other than --</p>	<p>1 Mr. Sharipov? 2 A. I understood it to be -- it was 3 conveyed to me by Mr. Warnig. I believe it to 4 have been the idea of the CEO, 5 Mr. Bogdanchikov. 6 Q. So when you were -- 7 A. But he -- Mr. Warnig conveyed it to 8 me. Yes. 9 Q. When you were seeking Mr. Warnig's 10 advice, do you recall how you did it? Was it 11 an in-person meeting, a phone call? 12 A. I don't know that I sought his 13 advice. I -- to the best of my recollection, I 14 conveyed the idea, maybe in the presentation 15 for Mr. Lynch, to ask him to get it to the CEO. 16 Q. So I was asking when you approached 17 Mr. Warnig -- 18 A. Yes. 19 Q. -- for his counsel on how to get the 20 presentation to the CEO, how did you approach 21 Mr. Warnig? 22 MR. PEES: Okay. So -- do you 23 understand the question? 24 THE WITNESS: I think I do, yeah. 25 A. I called him -- or I met him, and I</p>
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<p>1 anything more than, Lot 19, Yukos Finance BV, 2 we have an idea. Can I propose it to you? 3 And him saying, I'm not dealing with 4 that. I don't think I would have gone through 5 attachments and all that. I don't think I -- I 6 don't even know if I knew that term when I 7 spoke to Mr. O'Brien. 8 Q. Did you approach Mr. Warnig about 9 trying to get an appropriate contact at 10 Rosneft? 11 A. Yes. 12 Q. And was it Mr. -- 13 A. Well, excuse me. 14 About getting the idea to someone at 15 Rosneft, yes. 16 Q. And was it -- was it Mr. Warnig's 17 idea that you make contact with a gentleman 18 named Rashid -- Rashid Sharipov, R-A-S-H-I-D, 19 S-H-A-R-A-P-O-V -- or S -- 20 A. Two words. 21 Q. R-A-S-H-I-D. 22 A. I-D. First name, R-A-S-H-I-D. 23 Surname, capital S-H-A-R-I-P-O-V. 24 No. 25 Q. Whose idea was it that you contact</p>	<p>1 gave him a presentation. 2 Q. So I -- I want to make sure I'm 3 getting this right. So you wanted to get a -- 4 let me back up. Strike that. 5 At the time that you met with or 6 spoke to Mr. Warnig, you had some kind of a 7 written presentation. Is that what you're 8 saying? 9 A. I believe. From Mr. Lynch. 10 Q. And what presentation was that? 11 A. I don't know -- I don't believe -- it 12 wasn't a presentation if by "presentation," you 13 mean a PowerPoint presentation. I believe it 14 was a note, like a memo, to the best of my 15 recollection. 16 Q. In English or in Russian? 17 A. In English. 18 I believe in English. It was from 19 Mr. Lynch, as I recall. 20 Q. And so do you recall having -- 21 please. 22 A. Sorry. 23 I don't have a hundred percent 24 recollection that I gave Mr. Warnig something 25 in writing. I may have explained it. But it</p>

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1 was pretty complicated. I may have simply
2 said, I have a -- very interesting idea. I
3 need to meet with someone at Rosneft. Can you
4 help me arrange that?

5 Because Mr. O'Brien was my best
6 contact. He was on vacation. And I didn't
7 have direct access to the CEO.

8 I -- I'm assuming, after all these
9 years, that I had given him something that he
10 could -- so he wouldn't struggle to explain
11 what I was struggling to explain, what Lynch
12 had struggled to explain to me.

13 So I think I gave him something in
14 writing, but I can't -- I don't have a hundred
15 percent recollection of that.

16 Q. But you do think that at the time you
17 spoke to Mr. Warnig, you had a presentation.
18 Whether you gave it to him or not is what we're
19 not sure of? Is that --

20 A. I believe so. I believe so. A note,
21 a memo, not a presentation.

22 Q. And then so you had this conversation
23 with Mr. Warnig. How, then, did you get in
24 touch with Mr. Sharipov?

25 A. Mr. Warnig, after he spoke with the

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1 A. I don't think I had ever heard the
2 name.

3 Q. And when you first communicated with
4 Mr. Sharipov, was that a meeting? a call? an
5 e-mail? something else?

6 A. So as I recall, I recall it was an
7 evening. I don't know if it was the Sunday
8 evening prior to the auction or the Monday or
9 the Saturday.

10 But in some evening close to the
11 auction, Matthias said, I showed the idea to
12 Rosneft. They've just contacted me and said,
13 You should call this -- what he called Ruslan,
14 R-U-S-L-A-N, Sharipov.

15 So I called this number and I said,
16 Hi, Ruslan. This is Bob Foresman. I
17 understand you looked at the presentation.

18 And say, Yeah, we should meet to
19 discuss.

20 And I believe that evening we met to
21 discuss it for the first time.

22 Q. Was he expecting -- Mr. Sharipov, was
23 he expecting your call? Did he know you would
24 be calling?

25 A. As I understood it, he did. Yes.

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1 Rosneft official, which I presume to be the
2 CEO, or handed him a document, if there was a
3 written document -- I don't know whether it was
4 5 hours, 24 hours, 48 hours, 72 hours. In some
5 relatively short space of time, Warnig, as I
6 understand it, was called by Rosneft and said,
7 This idea is worth exploring. Please ask your
8 contact, your friend at Renaissance, to contact
9 Mr. Sharipov.

10 And I understood Matthias did not
11 know who that was, and he referred to him as
12 Ruslan Sharipov. I then did for the next few
13 days.

14 Q. Had you heard of Mr. Sharipov before
15 you got that message from Mr. Warnig?

16 A. The name didn't -- I didn't know the
17 name. When I eventually met him, shortly after
18 connecting, I realized that I had seen his
19 face. I was on the other side of a transaction
20 regarding Gazprom and Rosneft several years
21 prior, and I may have seen him in -- in one of
22 the IPO preparation meetings for Rosneft in the
23 spring. But I -- so I definitely -- it's
24 recognizable, but I didn't recognize the name.

25 Q. And --

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1 Q. By the way, if you remember,
2 temporally, you had a meeting with Mr. Lynch
3 and Mr. Deitz and -- and you contacted
4 Mr. Warnig. Do you know which came first?

5 A. I presume it must have been the
6 Lynch/Deitz because that's when -- I believe I
7 went to Warnig only when we had a little bit of
8 a more refined idea, which would have required
9 Mr. Deitz to have his input.

10 Q. And did you -- the written document,
11 did you convey it to Mr. Sharipov or did he
12 already have it?

13 A. I don't -- I don't recall whether at
14 that stage the -- a written document had been
15 given to him.

16 I recall him saying, having some
17 general understanding about -- I recalled him
18 prior to me explaining anything, him having
19 a -- a general understanding about a reciprocal
20 lifting of attachments.

21 But I don't recall whether he had
22 seen the details that were written -- well,
23 insofar as there were details that were written
24 in a memo. I can't recall.

25 Q. You don't remember whether you,

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<p>1 yourself, gave a written memo of some kind to 2 Mr. Sharipov? 3 A. I -- I may have. I can't, I can't 4 recall. It's not some -- but he -- shortly 5 came to -- to learn all of -- the substance of 6 our thesis. 7 Q. And the document itself, the written 8 memo of some kind, did you have a role in 9 writing it? 10 A. It -- Stephen wrote that, Lynch. No. 11 Q. So he wrote it. You didn't edit it 12 at all? 13 A. I may have edited it. I didn't -- I 14 wasn't familiar with any of the concept. So I 15 don't -- I don't -- I don't recall having had 16 any editing, except maybe grammar. I'm a 17 stickler for grammar. 18 Q. Me too. 19 Do you recall whether -- you said the 20 document was prepared in English. Do you know 21 whether it was ever translated into Russian? 22 A. I don't know. 23 But it may have been if it were 24 handed to Mr. Bogdanchikov. I don't recall him 25 being an English speaker. So it may have been</p>	<p>1 identification.) 2 --- 3 A. Uh-huh. 4 Q. So is this the -- the written 5 presentation we've been discussing? 6 A. Memo. Memo or note. Yes. 7 Q. Yeah. Yeah. The thing. 8 A. Yeah. I don't know if this is a 9 first version, the last version. But this -- 10 I've seen this document. Yes. I've seen this 11 document. 12 And I apparently thought very shortly 13 thereafter, on October 21 of 2007 that that's 14 what Lynch had given to me to summarize. Yeah. 15 Q. So as you sit here today, I would 16 like you to tell me everyone you know outside 17 of the consortium who you know has seen this 18 document. So I'm going to start with you know 19 have seen this document. 20 A. Outside the consortium. 21 I don't know of anyone that's seen it 22 outside -- I assume that Mr. O'Brien did, but I 23 don't know. I've already talked about that. I 24 assume I did. 25 Mr. Sharipov, if -- a document was</p>
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<p>1 translated, if there was a written document. 2 Or if -- again, if -- and I can't say that 3 there was. If there was at that point a 4 written document, the Matthias's English would 5 have been good enough to read it. And maybe 6 the CEO gave it to Rashid. 7 And maybe the CEO didn't read it. 8 He -- that's not -- he's not a detail guy. He 9 may have simply given it to Rashid. I don't 10 believe -- I don't recall ever having seen or 11 ever having thought about a Russian version. 12 Q. Do you know why you didn't have 13 direct access to Rosneft's CEO? 14 I mean was there a reason you 15 couldn't have gotten him directly? 16 A. Presumably, if I had written a letter 17 for my -- and asked for a meeting over the 18 coming weeks, he may have seen me, but -- 19 but -- 20 Q. Not necessarily in time? 21 A. Not in time. No. 22 Q. We've been talking about a memo. Now 23 we'll find out if this is the memo. 24 --- 25 (Foresman Exhibit 15 was marked for</p>	<p>1 given to Rosneft through Mr. Warnig, at this 2 time, I presume Mr. Sharipov would have 3 received this. 4 Mr. Lynch may have provided it to -- 5 likely did provide -- well, may have provided 6 to other investors that he was pursuing. 7 Outside -- that did not end up in the 8 consortium. 9 I didn't give it, to the best of my 10 knowledge, to anyone outside the consortium 11 other than Mr. Warnig, if I gave it to him. 12 And I'm not aware of others having done so. 13 But you could refresh my memory. 14 Q. Do you have any reason to believe 15 that any government officials other than 16 Mr. Warnig saw this document? 17 MR. PEES: Objection. 18 A. He's not a government official. 19 Q. Do you -- do you have any reason to 20 believe that any government official saw this 21 document? 22 A. I -- as I testified, I'm not sure 23 whether Mr. Bogdanchikov, if you could -- he 24 was the CEO of Rosneft, which is a government 25 company. But I'm not aware of anybody else,</p>

<p style="text-align: right;">Page 161</p> <p>1 particularly given that I don't know that it 2 was in Russian. So I'm not aware of any 3 others. I don't know if I was aware at the 4 time. I don't believe I was. 5 Q. And if you gave this document to 6 Mr. Warnig, what's the most likely means by 7 which you conveyed it to him? Did you hand it 8 to him? Did you e-mail it to him? 9 A. I would have had -- he's not a strong 10 e-mailer. 11 I would have handed it had to him. 12 Handed it to him or we would have couriered it 13 to his office. 14 Q. And -- go ahead. 15 A. Well, I shouldn't ask you this, but 16 I'll say it not as a question. 17 MR. PEES: Is there a question 18 pending? 19 MR. JACOBSON: No. 20 MR. PEES: Okay. Just -- 21 THE WITNESS: No. But I was 22 clarifying -- 23 MR. JACOBSON: If he needs to clarify 24 an answer, he can clarify. 25 A. I was going to clarify an answer.</p>	<p style="text-align: right;">Page 163</p> <p>1 of a concepts. Whose idea was it to write 2 this? 3 A. Stephen Lynch, as I recall. The 4 whole thing was his idea. 5 Well, I may have said, If you want me 6 to take this Rosneft, I need something in 7 writing. And then he wrote it. I can't recall 8 if it was that or he had already produced it 9 for others. I'm not sure. 10 Q. This e-mail, as you mentioned, from 11 Mr. Lynch to you on August 13, do you know why 12 it wasn't in your particular mailbox at RenCap? 13 MR. PEES: Objection. 14 Sorry. Go ahead. 15 A. If it was not, I would refer to your 16 associates. 17 Q. So you do not recall making an effort 18 to delete it? 19 A. I forwarded it. 20 I -- I wouldn't have -- not only did 21 not make an effort to delete it that I recall; 22 I forwarded it. 23 Q. Not at the time, but subsequently? 24 You don't recall -- 25 A. No.</p>
<p style="text-align: right;">Page 162</p> <p>1 MR. PEES: Okay. 2 A. I -- sorry. I was going to say, I 3 don't know whether Lynch first handed me the 4 e-mail or -- or e-mailed to me. But I now have 5 answered my question. He's e-mailed it to me 6 on the 13th. 7 Q. Well, yeah, he -- whether -- I just 8 don't know whether this is the first time you 9 saw it or not. Do you know whether that e-mail 10 on the 13th is the first time you saw this 11 document? 12 A. I don't know. I don't know. I don't 13 know whether that was the first time I saw a 14 document. I don't know if that was the only 15 draft. 16 Q. Because the document says it needed 17 an answer by August 10, which would make sense 18 because August 13 was the deadline to register. 19 A. Correct. 20 Q. It would seem unlikely that August 13 21 is the first time you saw it, but I -- 22 A. It's plausible, yeah -- I mean, 23 that's sensible. 24 Q. Do you know who -- you mentioned that 25 one reason for this memo was -- was explanation</p>	<p style="text-align: right;">Page 164</p> <p>1 Q. You don't recall -- 2 A. I don't. 3 I don't. 4 It's a straightforward memo. 5 Q. So in the conclusion section of the 6 memo, so this is -- given the immediacy of the 7 auction, if MV, which is Monte Valle, is to 8 participate we need -- we will need on Friday, 9 August 10, the following. 10 And the first item is, an indication 11 that the general strategy is acceptable. 12 So -- 13 A. I'm sorry. I want to make sure I'm 14 not -- where does it say we'll need it on 15 Friday? 16 MR. PEES: So -- with the -- 17 A. Oh, okay. It's not the last page. 18 Q. I'm sorry. 19 A. No. That's okay. 20 Q. If I said the last page, I didn't 21 mean it. 22 A. That's all right. 23 Q. In the conclusion section. 24 A. Okay. Sorry. Sorry. You probably 25 didn't say "last page."</p>

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<p>1 I'm sorry. Your question?</p> <p>2 Q. So I said, it -- I -- I -- all I was</p> <p>3 doing so far -- I hadn't asked a question</p> <p>4 yet -- was directing you to the statement that</p> <p>5 an indication would be needed by August 10,</p> <p>6 that the general strategy is acceptable.</p> <p>7 Who did you need an indication from?</p> <p>8 MR. PEES: My objection is to the</p> <p>9 question. I think there's inadvertently a</p> <p>10 false premise in it.</p> <p>11 MR. JACOBSON: I'll withdraw the</p> <p>12 question and clean it up because I think I know</p> <p>13 why you mean that. But I didn't intend it that</p> <p>14 way.</p> <p>15 MR. PEES: No. I understand.</p> <p>16 Q. But -- so just reading it, "Given the</p> <p>17 immediacy of the auction, if MV is to</p> <p>18 participate, we will need on Friday, August 10,</p> <p>19 the following: One, indication that the</p> <p>20 general strategy is acceptable."</p> <p>21 Do you know what was meant by that in</p> <p>22 terms of from whom would such an indication be</p> <p>23 needed?</p> <p>24 A. So I would assume, and I think it's a</p> <p>25 pretty reasonable assumption, Rosneft and</p>	<p>1 A. And I'm not -- I'm not sure -- and</p> <p>2 maybe the documents will refresh my memory, the</p> <p>3 documents that I've received but not yet read</p> <p>4 through in their entirety. I'm not sure</p> <p>5 whether I was able to communicate via Warnig or</p> <p>6 through Sharipov, anything to Rosneft, before</p> <p>7 August 10th.</p> <p>8 So I -- it just goes to say I'm not</p> <p>9 sure that this document, which was obviously</p> <p>10 pre -- well, apparently predating August 10th,</p> <p>11 was something that by that point I would have</p> <p>12 given to Rosneft. I'm not sure.</p> <p>13 Q. Understood.</p> <p>14 ---</p> <p>15 (Foresman Exhibit 16 was marked for</p> <p>16 identification.)</p> <p>17 ---</p> <p>18 A. Can I read this?</p> <p>19 Q. Sure.</p> <p>20 THE WITNESS: (Perusing document.)</p> <p>21 A. Okay.</p> <p>22 Q. So there's a new gentleman on this</p> <p>23 chain. Pavel, P-A-V-E-L, Vasilyev,</p> <p>24 V-A-S-I-L-Y-E-V.</p> <p>25 And it says here he's the vice</p>
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<p>1 Moravel or GML -- or Rosneft and GML. That was</p> <p>2 the general strategy, is to get these two.</p> <p>3 Can I clarify something?</p> <p>4 Q. Sure.</p> <p>5 A. I don't know whether -- and maybe</p> <p>6 it's in all the e-mails, which I may see</p> <p>7 eventually.</p> <p>8 I don't know whether the conversation</p> <p>9 or note to Warnig in his -- whatever he did at</p> <p>10 Rosneft, if that was after August 10th when --</p> <p>11 when we learned or whenever we learned about</p> <p>12 Rosneft having set up the bidding vehicle and</p> <p>13 that that would be our only way to participate,</p> <p>14 to purchase that.</p> <p>15 Or whether I first went to him, when</p> <p>16 Lynch first came to me earlier in August or at</p> <p>17 the end of July. The reason I mention that now</p> <p>18 is because this memo indicates that</p> <p>19 August 10th -- I'm sorry.</p> <p>20 Q. Okay.</p> <p>21 A. No. I'll wait.</p> <p>22 Q. No. Go ahead.</p> <p>23 A. This memo indicates that August 10th</p> <p>24 was in the future.</p> <p>25 Q. Yes.</p>	<p>1 president of structured solutions at RenCap; is</p> <p>2 that correct?</p> <p>3 A. He was a vice president, which is a</p> <p>4 mid-level role.</p> <p>5 Q. Understood.</p> <p>6 So it seems from this chain as though</p> <p>7 Mr. Vasilyev and Mr. Lynch are trying to get</p> <p>8 the documents together to enable -- I'm going</p> <p>9 to butcher this -- is it Monte Valle?</p> <p>10 A. Yep.</p> <p>11 Q. To enable Monte Valle to bid in the</p> <p>12 auction. So at 314 -- I'm sorry. Make sure</p> <p>13 I'm doing this right.</p> <p>14 At -- 3:41 p.m., it's the -- one,</p> <p>15 two -- third e-mail down on the first page,</p> <p>16 Mr. Lynch says, "Alas, it's not looking likely,</p> <p>17 but you never know."</p> <p>18 As you read that, was Mr. Lynch</p> <p>19 expressing pessimism that you were going to be</p> <p>20 able to bid in the auction at that point?</p> <p>21 A. Yes.</p> <p>22 Q. Do you know why he was so pessimistic</p> <p>23 at that point?</p> <p>24 A. I believe, yes.</p> <p>25 Q. Why?</p>

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1 A. So, for the record, I don't recall
2 having seen this e-mail.
3 And this, importantly, refreshes my
4 memory that we apparently continue -- we went
5 through the motion. This -- Vasilyev was, I
6 think, the one guy, other than Pertsovsky, that
7 I first flagged Lynch's idea to. And Vasilyev
8 was the only resource that I was given to sort
9 of try to see if we could pursue this.
10 And this would have been before we
11 got the -- well, either before we knew that
12 Rosneft had set up a bidding vehicle or, in any
13 event, before we had any indication that
14 Rosneft might be interested.
15 And so this was like -- this would
16 have been -- "pessimism" is a good word. I
17 think "moot" Lynch mentions at the top. This
18 looked like it was just going through the --
19 spinning wheels because we were not going to
20 have time to bid for this thing, even if we had
21 agreements about attachments and stuff, because
22 the deadline was coming up.
23 Q. Well, so you're -- you're
24 anticipating my next question. So it's --
25 Mr. Lynch's e-mail to you at 4:17 p.m. And I

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1 recognize the times may not line up exactly,
2 but I think they do.
3 He says, "We are all ready on the
4 corp. side but for bank account." So is it
5 fair to say that the motions had all been
6 completed. You had everything ready except an
7 actual bank account? Is that your
8 recollection?
9 A. Well, so Lynch wrote this.
10 Q. Right.
11 A. He said we're all ready on the
12 corporate side, meaning like the corporate
13 documents and whatnot.
14 But it would be inaccurate to say
15 we're all ready, except for the bank account,
16 because that would imply that we had already
17 agreed with Moravel and Rosneft that they
18 wouldn't be hostile to us.
19 So this was mechanical stuff. We --
20 even if we had had that bank account, we needed
21 understanding from the protagonists that they
22 were not going to be hostile to this.
23 Q. And I wasn't -- I wasn't trying to
24 imply --
25 A. No, no. And I wasn't implying that

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1 you were trying to imply. It's confusing. So
2 I know that I'm sometimes going beyond the
3 question, which is not a good thing. But --
4 because I'm trying not to be cute. I'm trying
5 to explain a complicated thing to you to save
6 us all time.
7 Q. I appreciate that.
8 And then understanding that this is
9 Mr. Lynch's writing, he says, "Now the answer
10 would have to be of the 'yes, solid green,
11 do-it-now' type."
12 So basically, if it's going to come
13 together, he seems to be suggesting that there
14 is -- there needs to be a -- a strong "yes"
15 from someone. Is that correct?
16 A. I think that's a good interpretation,
17 that there had -- this -- there can't be any
18 gray area. It has to be: We're all in. We've
19 ticked all the boxes. Let's do this.
20 Q. And who -- to the best of your
21 knowledge, who was he expecting that strong
22 green yes to come from?
23 A. It seems like at this point from no
24 one. And it was going to be moot.
25 Q. But he was anticipating the

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1 possibility of a yes answer from someone who
2 could have turned it around at this point?
3 A. I -- reading this at the time, it was
4 not looking plausible. And I certainly didn't
5 spend a lot of time on it, and I think at this
6 point it was like, Well, we tried. So you
7 would have to ask Mr. Lynch, and I'm sure
8 you've had an opportunity to ask him.
9 I believe I would have taken it to
10 mean that we need not only the agreement from
11 the -- from GML and Rosneft that they would
12 have this reciprocal attachment dropping, but
13 that we would have a technical way to actually
14 have a bidding vehicle.
15 You may have documents that refer
16 when we learned about Rosneft's having set up a
17 bidding vehicle, PNS. I don't know if that
18 predates this e-mail or not. But short of that
19 idea, there was no practical way that we would
20 do it.
21 Q. At this point in time, August 10th,
22 had the consortium had any contact with
23 Moravel, M-O-R-A-V-E-L, or Group Benetuck
24 (phonetic)?
25 A. Prior to --

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<p>1 Q. Prior to the August -- the afternoon 2 of August 10? 3 A. I -- I'm not -- Deitz, I know had 4 some discussions with Tim Osborne, maybe with 5 Mr. Godfrey or others. I'm not sure if that 6 was before the 10th, on the 10th, 11th, 12th. 7 I'm not sure. 8 I may have -- I would have known at 9 the time. I believe that Deitz would have told 10 me. I can't recall whether he at this time 11 had -- but I think it's in our records. 12 Q. Because what I'm trying to get at is 13 that the "yes, solid green," was it -- was it 14 Rosneft? Was it Moravel? Was it somebody 15 else? Who would the solid green need to have 16 come from at this point in your thinking on 17 August 10th at 4:00 p.m.? 18 A. I don't know what he was thinking. 19 But -- and at this point on August 10th, I knew 20 less than a fraction of what I know now about 21 this whole matter. 22 I was simply looking at things in 23 terms of we're not going to go forward unless 24 we get a clear green light from the two 25 protagonists.</p>	<p>1 seen this. 2 And I would ask my counsel to note 3 that we haven't received this. Or -- 4 MR. PEES: Well -- 5 A. -- perhaps we have. Sorry. 6 MR. PEES: Yeah, so just -- wait for 7 the question. Answer the question. 8 Q. Familiarize yourself. 9 A. Read the document now. 10 Okay. 11 Q. So I -- you said you don't recall 12 having seen it. Do you recall having written 13 it? 14 A. No, but I don't dispute it. 15 Q. So your first sentence here -- 16 MR. JACOBSON: And this was 17 Exhibit 17; is that correct? 18 THE COURT REPORTER: Yes. 19 Q. This was Exhibit 17. The first 20 sentence is, They -- I should start just for 21 the record. 22 So this is -- this is a response to 23 Mr. Lynch's e-mail, of a moment ago where -- 24 that we discussed a moment ago where he said, 25 "We're all ready on the corp. side but for bank</p>
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<p>1 I didn't -- don't recall thinking 2 about that. Lynch, given what he was 3 responsible for, would have also been thinking 4 about like the technical stuff, like bank 5 accounts and chart -- I wasn't dealing with 6 that stuff. I -- you know. 7 --- 8 (Foresman Exhibit 17 was marked for 9 identification.) 10 --- 11 Q. I prefer to ask people about e-mails 12 they wrote themselves, so that's why we're 13 moving on to this one. 14 A. Thank you. Can I familiarize 15 myself -- 16 Q. By all means. 17 A. -- with the chain? 18 Q. It's the same -- I'll represent to 19 you it's the same chain -- 20 A. Okay. 21 Q. -- except there's a new message from 22 you at the top, which is what I'm going to 23 focus on. 24 THE WITNESS: (Perusing document.) 25 A. For the record, I don't recall having</p>	<p>1 account." 2 And then your response to him was, 3 began, "They are clearly interested, as I 4 confirmed again earlier today, but prior to 5 their having read the note." 6 A. Uh-huh. 7 Q. Who is "they"? 8 A. I'm not sure. I would guess, I mean, 9 Rosneft. That's -- would be my assumption. 10 Q. Well, was there someone with whom you 11 confirmed interest earlier that day? 12 A. No. So when I was responding to your 13 previous questions, I explained that it's vague 14 in my mind the timing of when -- if someone saw 15 a note, when. 16 I don't recall having heard anything 17 from the Rosneft side prior to whenever that 18 was on the 10th or 11th or 12th that I was 19 asked to contact Sharipov. 20 According to this, I see that I'm 21 stating that -- I'm implying that I had had 22 some feedback from them that they were clearly 23 interested. I don't know whether I had grounds 24 to say that. 25 That was probably not your</p>

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1 question -- or beyond your question.
2 Q. Well, so -- and the next sentence
3 says, "We'll know soon enough." And then the
4 next sentence after that is, "Unfortunately,
5 what usually happens in such situations when
6 they are not interested in going forward, is
7 that I probably won't get a call to say,
8 'Sorry. It's a no-go,' but will just get
9 silence to the point that we realize they are
10 not interested."
11 A. Uh-huh.
12 Q. So, again, that's a long sentence, so
13 we'll unpack it a little bit. But "what
14 usually happens such situations"?
15 A. Uh-huh.
16 Q. Such situations with Rosneft or such
17 situations with someone else?
18 A. I think with clients, whether they're
19 state clients or not clients. You're a banker.
20 You're showing ideas to a client. If they're
21 interested, they're going to let you know. If
22 they're not, they're not going to say, Hey --
23 they're not going to call you up and say, Thank
24 you very much, but here's the reasons why we're
25 not going to pursue this.

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1 THE WITNESS: I'm sorry.
2 Q. Did you have in mind the Russian
3 government when you wrote that sentence or key
4 officials in the Kremlin?
5 A. I don't know what I had in mind. But
6 as I've stated on more than one occasion,
7 Rosneft is a state-controlled company, and --
8 you know, with the state officials on the
9 board, I would use -- I didn't use the word
10 "government" in here. Or --
11 Q. I didn't say you did.
12 A. Yeah. Yeah.
13 Q. I was asking, Did you have in mind?
14 A. I had in mind Rosneft, Rosneft as a
15 broad entity. I didn't have specific people in
16 mind.
17 Q. So back to the first sentence.
18 It says, "You confirmed again earlier
19 today." So had you had a prior conversation in
20 which whoever the "they" was had expressed
21 interest?
22 A. I didn't -- I don't recall having had
23 that. I'm -- I'm not sure what I meant by
24 that, as I said, whether I was -- but it
25 appears that I had.

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1 Q. And then you mentioned the note. Was
2 the -- is the note the -- the Lynch memo?
3 A. I presume it was that memo or a
4 version thereof, if there was more than one
5 version. As I testified, I have a vague
6 recollection of the timing of that note.
7 Q. So do you recall having had a
8 conversation with someone who would fit this
9 description after they had read that memo? To
10 confirm their interest?
11 A. Other than Mr. Sharipov, with whom I
12 would have spoken after this, no, I don't. But
13 I don't dispute it. I just don't have such a
14 recollection.
15 Q. So -- and then the last sentence of
16 your response was, "So if by tomorrow I haven't
17 heard back, I probably won't at all (about
18 this)."
19 So I'm -- I'm -- is it correct that
20 you were the person expecting to hear back?
21 A. From Rosneft?
22 Q. From the --
23 A. Yes.
24 Q. From the "they."
25 A. Yes.

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1 THE COURT REPORTER: I'm sorry,
2 Counsel. Your question was from the --
3 MR. JACOBSON: I said, Was it you who
4 was expecting to hear back from the "they"?
5 And he said, "From Rosneft?"
6 Q. And did you, in fact, get a response
7 back from Rosneft?
8 A. I got the response back to contact
9 Mr. Sharipov. And, again, I don't know if that
10 was the 10th, 11th, 12th, 13th. But it was
11 right around this date, this --
12 Q. And Mr. Sharipov -- Sharipov?
13 A. Sharipov, yes.
14 Q. And when Mr. Sharipov and you spoke,
15 what did he tell you?
16 A. So this -- for the record, this is
17 the conversation that I referred to previously
18 when we spoke by phone and he said, I would
19 like to learn more about this consortium's
20 idea. And I believe we then agreed to meet.
21 And then we talked about the idea.
22 Q. And was this over a weekend?
23 A. Again, I don't recall whether this
24 was on the 12th, the 13th, the 11th, the 10th,
25 but it was -- I have a vague recollection that

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1 it may have been a Sunday night, because I have
2 a recollection that I had to get some people to
3 come back into the office to work. But in
4 theory, that could have been any evening. But
5 it -- I just have a vague recollection it was a
6 Sunday evening.

7 Q. And ordinarily, Mr. Foresman, I
8 wouldn't -- I wouldn't be expecting people to
9 remember. The only reason why I'm pressing you
10 on this is because the e-mail conversations are
11 late on a Friday afternoon, and Monday is the
12 bidding deadline. So that's why I'm asking
13 you. If you had heard back, it would seem to
14 make sense that a conversation might happen on
15 a Sunday because it needed to happen between
16 Friday and Monday.

17 So your -- are you -- you seem to
18 have -- is it correct that you have a
19 recollection that you had a meeting with
20 Mr. Sharipov on a Sunday night, to the best of
21 your recollection?

22 A. To the best of my recollection. But,
23 sorry, I -- I can't confirm because I don't
24 know this. I -- I would have known at the
25 time, and it would be in some of these e-mails.

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1 Did you say the bidding deadline was
2 the 10th or the 13th?

3 Q. The -- no. The deadline to register
4 was the 13th, which was the Monday.

5 A. I thought the 10th was some deadline.

6 Q. You needed to hear by the 10th. The
7 memo said you needed to hear by the 10th, and
8 that was because --

9 A. Okay.

10 Q. -- Monday was the bidding deadline,
11 and then Wednesday was the auction.

12 MR. PEES: For clarity of the record,
13 the registration deadline, I believe you
14 stated, was on Monday, the 13th. You just now
15 referred to the bidding deadline. That was --

16 MR. JACOBSON: You are correct, and I
17 thank you for that. Yes.

18 Q. The registration deadline was Monday
19 and then the auction was on Wednesday.

20 When you met with Mr. Sharipov, maybe
21 on Sunday night -- we don't know -- was there
22 any discussion of the Transpetrol pipeline?

23 A. I -- I don't recall specifically
24 whether it was on a Sunday night. Eventually,
25 whether it was Sunday or Monday, Transpetrol

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1 certainly came up. I don't recall whether it
2 was on the -- it may have -- we talked about
3 the auction lot. That was one of the few
4 things in the lot. So I -- I assume it was,
5 but I don't specifically recall.

6 Q. And what do you -- what -- whenever
7 the conversation occurred, what do you recall
8 them -- what do you recall Mr. Sharipov saying
9 about the Transpetrol pipeline?

10 A. Okay. Whether it was that night or
11 subsequently --

12 Q. Understood.

13 A. -- I -- my time -- there's so much
14 going on during this 72 hours. So my timing,
15 will be off, not maybe, but it will be off.

16 We didn't know what to do with
17 Transpetrol. It was a distraction. It was
18 hard for us to get our heads around it.

19 We at some stage prior to the auction
20 asked Mr. Sharipov whether Rosneft might want
21 that asset, and we could have an arrangement.
22 And he said, "No."

23 Either at that time or later that day
24 or the next day, he indicated to us that while
25 Rosneft wasn't interested, he could introduce

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1 us to a party that he thought was interested.

2 That's what I recall. But not -- I
3 don't have a good recollection of the timing of
4 that.

5 Q. Did Mr. Sharipov indicate to you that
6 Rosneft's approval of your proposal was
7 conditioned upon your agreement to sell
8 Transpetrol at a particular price?

9 A. To the best of my recollection, we
10 initiated the discussion, whether we could sell
11 them Transpetrol, not he.

12 So, in other words -- sorry. I beg
13 your pardon.

14 To the best of my recollection, which
15 is pretty firm, I believe, it was the
16 initiative of the consortium to try to find a
17 buyer for Transpetrol in advance of the auction
18 because we didn't know what to do with it. And
19 we wanted to limit our exposure. That was the
20 best of my recollection. I don't recall it
21 being his initiative, let alone a condition
22 precedent.

23 Q. Who first brought up the price at
24 which Transpetrol would be sold?

25 A. Who first --

<p>Page 185</p> <p>1 Q. At some point a price was mentioned. 2 You said it was your idea to sell it. Who 3 brought up the price? 4 A. The consortium. 5 Q. The consortium. Fair enough. 6 A. I don't have a firm recollection on 7 when we first started discussing the price. I 8 don't know if that would have been with 9 Sharipov or when he introduced us to the party 10 Halebay that ended up having the put option 11 with us. 12 I believe -- and it's not a firm 13 recollection, but I believe that the buyer of 14 the put -- the Halebay or -- Rashid, if he had 15 known this from Halebay, was the party that 16 indicated that 105 would be the maximum that 17 they would pay for this. And that was -- I 18 believe they didn't get much pushback from us 19 because it came with a -- at that stage or 20 subsequent, shortly thereafter, with a loan 21 agreement. 22 Q. Do you believe that you could have 23 gone ahead with the transaction if you had not 24 agreed to sell the Transpetrol stake to Halebay 25 for 105 million?</p> <p>Page 186</p> <p>1 A. I've never thought about that. I've 2 never thought about that. I -- at the time, 3 I -- I think -- I think -- I thought -- I think 4 I then -- I thought then that we could have. 5 Because, again, to the best of my 6 recollection -- and you'd have to ask the other 7 consortium partners about their recollection -- 8 it was our initiative to try to offload TP, I 9 believe, "TP" being Transpetrol. 10 And at no stage did I -- do I ever 11 recall having heard, to the best of my 12 recollection, any indication from Rosneft or 13 another party that us selling on or on-selling 14 Transpetrol was some condition to -- supporting 15 our bid for an auction -- for auction Lot 19. 16 MR. JACOBSON: So why don't we take 17 as short of a lunch break as we all are 18 comfortable with. 19 THE WITNESS: Yeah. 20 MR. JACOBSON: I'd ask -- we can go 21 off the record. 22 MR. PEES: Yeah. And, also, I -- you 23 guys will need some sort of a rest, too. 24 MR. JACOBSON: Yeah. That's why I 25 was going to -- yeah. That was the "we all are</p>	<p>Page 187</p> <p>1 comfortable with." So whatever -- whatever the 2 reporters are -- you tell me when we -- we 3 were -- 4 THE COURT REPORTER: Should we go off 5 the record first? 6 THE VIDEOGRAPHER: We are going off 7 the record at 12:55 p.m. This marks the end of 8 Media 3. 9 (Luncheon recess at 12:55) 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p>Page 188</p> <p>1 AFTERNOON SESSION 2 (1:36) 3 ROBERT FORESMAN 4 resumed, having been previously duly 5 sworn by a Notary Public, was 6 examined and testified further 7 as follows: 8 THE VIDEOGRAPHER: We are back on the 9 record at 1:36 p.m. This marks the beginning 10 of Media 4. 11 CONTINUED EXAMINATION BY MR. JACOBSON 12 Q. Mr. Foresman, I understand from your 13 counsel that there's something you wanted to 14 clarify from earlier. Go right ahead. 15 A. Yes. Thank you. Yes. So when you, 16 Mr. Jacobson, had read to me the conclusion 17 from this memo, which is Exhibit -- 18 MR. PEES: 15. 19 A. -- 15, which was, again, drafted by 20 Steven Lynch, and there's a line that says in 21 the conclusion, "Given the immediacy of the 22 auction, if MW is -- if MV is to participate, 23 we will need on Friday, August 10th, the 24 following." And the first was, "Indication 25 that the general strategy is acceptable."</p>
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<p style="text-align: right;">Page 189</p> <p>1 And I had, in a rush, assumed that</p> <p>2 that was the two protagonists. But I now</p> <p>3 understand it to be the prospective investors</p> <p>4 in the consortium, Renaissance Capital and</p> <p>5 VR Capital, that -- he was presenting this to</p> <p>6 consortium partners and if the general strategy</p> <p>7 was acceptable to the proposed consortium</p> <p>8 partners.</p> <p>9 Q. Okay.</p> <p>10 A. Thank you.</p> <p>11 Q. Thank you for that clarification.</p> <p>12 So we'll come back to the frenetic</p> <p>13 August period in a bit. But for now, I would</p> <p>14 like to talk about -- is it correct that on</p> <p>15 September 25th, 2007, the consortium entered</p> <p>16 into a put and call option with a company</p> <p>17 called Halebay, H-A-L-E-B-A-Y, with respect</p> <p>18 Transpetrol?</p> <p>19 A. I'm not sure of the exact dates, but</p> <p>20 we did enter into such an agreement. And I</p> <p>21 believe it was in September of '07.</p> <p>22 But I'll take your word that it</p> <p>23 was --</p> <p>24 ---</p> <p>25 (Foresman Exhibit 18 was marked for</p>	<p style="text-align: right;">Page 191</p> <p>1 at Clifford Chance, and then it's copied to</p> <p>2 you.</p> <p>3 And it -- it -- in particular, I'm</p> <p>4 looking at item 2, which says, Option</p> <p>5 agreement, circulated to N as in Nancy, B as in</p> <p>6 boy, N Rashid.</p> <p>7 Does NB stand for nominated buyer?</p> <p>8 A. That would be my understanding.</p> <p>9 Q. And Rashid is Rashid Sharipov,</p> <p>10 correct?</p> <p>11 A. Correct.</p> <p>12 Q. And then it says, "Rashid has</p> <p>13 provided comments, and these have been</p> <p>14 incorporated."</p> <p>15 Do you know why Mr. Sharipov was</p> <p>16 offering comments on an option agreement to the</p> <p>17 nominated buyer?</p> <p>18 A. I don't recall with great certainty,</p> <p>19 but I recall that -- I do recall that Rosneft</p> <p>20 had loaned us the \$60 million deposit and -- to</p> <p>21 participate in the auction and that Halebay was</p> <p>22 taking over that loan obligation. So I'm</p> <p>23 assuming that's why this was relevant for him.</p> <p>24 They were swapping lenders, to the</p> <p>25 best of my recollection.</p>
<p style="text-align: right;">Page 190</p> <p>1 identification.)</p> <p>2 ---</p> <p>3 MR. PEES: Mr. Jacobson, there -- to</p> <p>4 the extent that there are attorneys on both</p> <p>5 sort of segments of this e-mail string, that --</p> <p>6 there may be privileged communications that are</p> <p>7 captured. And I would caution Mr. Foresman not</p> <p>8 to discuss privileged communications.</p> <p>9 That being said, the underlying</p> <p>10 information, as opposed to communications, we</p> <p>11 understand, is not necessarily privileged. So</p> <p>12 to the extent he's using this as an</p> <p>13 aide memoire, we are not objecting to it being</p> <p>14 in front of him right now. But I would caution</p> <p>15 the witness not to reveal any attorney-client</p> <p>16 communications.</p> <p>17 MR. JACOBSON: I wasn't planning on</p> <p>18 asking any, but that's a fair -- certainly a</p> <p>19 fair instruction. I mostly -- just trying to</p> <p>20 get at some facts here.</p> <p>21 MR. PEES: Right.</p> <p>22 Q. Mr. Foresman, I would direct your</p> <p>23 attention in particular to the second e-mail,</p> <p>24 on the chain here. It's from Robert Reid to</p> <p>25 Mr. Deitz, Mr. Lynch, and then to a gentleman</p>	<p style="text-align: right;">Page 192</p> <p>1 Q. And then...</p> <p>2 ---</p> <p>3 (Foresman Exhibit 19 was marked for</p> <p>4 identification.)</p> <p>5 ---</p> <p>6 (Witness reviewing document.)</p> <p>7 Q. In this timeframe, Mr. Foresman, in</p> <p>8 late September, had the Rosneft part of the</p> <p>9 transaction already been concluded? In other</p> <p>10 words, did Rosneft still have any interests at</p> <p>11 this point in -- in 2007? The swap you</p> <p>12 mentioned, had that been already taken -- had</p> <p>13 already been completed?</p> <p>14 A. "Swap" was probably not a word that</p> <p>15 we used. What I meant by "swap" was Rosneft --</p> <p>16 Rosneft's loan to PNS was taken over by</p> <p>17 Halebay, which then had the -- the call option</p> <p>18 on Transpetrol.</p> <p>19 Q. But that had already been done by the</p> <p>20 time of the change that we looked at of -- in</p> <p>21 the last --</p> <p>22 A. I don't know. These were -- as a</p> <p>23 matter of days or weeks, I don't know the</p> <p>24 technical details, but --</p> <p>25 Q. I think it was September 7th was</p>

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<p>1 when --</p> <p>2 A. I'm not sure. It may have been.</p> <p>3 Q. And then to your knowledge, did</p> <p>4 Mr. Sharipov represent anyone other than</p> <p>5 Rosneft in -- in the entire Lot 19 story?</p> <p>6 A. Not to my knowledge. But he was --</p> <p>7 he was an external lawyer, and he --</p> <p>8 I don't know. I don't know whether</p> <p>9 he had a formal engagement with any other</p> <p>10 parties.</p> <p>11 Q. Did he represent Halebay?</p> <p>12 A. Not that I'm aware of.</p> <p>13 Could you --</p> <p>14 Q. Sure.</p> <p>15 A. You had made a statement a minute ago</p> <p>16 that you thought by this point Rosneft was</p> <p>17 already --</p> <p>18 Q. Well, Rosneft had -- Rosneft had</p> <p>19 exchanged -- as you said, you didn't use the</p> <p>20 word "swap," but Rosneft had exchanged its --</p> <p>21 its interests so that Halebay was not now</p> <p>22 holding the loan.</p> <p>23 A. Yeah. So -- but Rosneft remained</p> <p>24 very much an interested party.</p> <p>25 Q. Sure.</p>	<p>1 Halebay, Halebay had the option to buy</p> <p>2 Transpetrol from the consortium for</p> <p>3 \$105 million; is that correct?</p> <p>4 A. As I understand, yes.</p> <p>5 Q. And that was something that you knew</p> <p>6 at the time in September of 2007; is that</p> <p>7 correct?</p> <p>8 A. Yes.</p> <p>9 Q. Were you the one who transmitted the</p> <p>10 agreement to Mr. Sharipov for his comments?</p> <p>11 MR. PEES: Objection. Are you</p> <p>12 referring to the option agreement?</p> <p>13 Q. The option agreement, correct. Did</p> <p>14 you -- did you give the option agreement to</p> <p>15 Mr. Sharipov to get his comments?</p> <p>16 A. I don't believe I did. I was</p> <p>17 involved in the drafting of legal</p> <p>18 documentation.</p> <p>19 Q. And do you know why it was -- do you</p> <p>20 know why it was shown to him in particular?</p> <p>21 A. I -- I -- I assume I would have at</p> <p>22 the time, and I assume someone in the</p> <p>23 consortium would know. But I don't -- I don't</p> <p>24 recall now other than, as I said, they were --</p> <p>25 they were a lender. They -- the option</p>
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<p>1 A. Yeah. I meant specific, that Rosneft</p> <p>2 had gotten out of the loan to PNS but was still</p> <p>3 involved in the attachments, reciprocity, and</p> <p>4 the -- Rosneft remained a stakeholder in the</p> <p>5 broader matter. So I didn't mean to suggest</p> <p>6 that they got out of anything having to do with</p> <p>7 Yukos Finance B.V. in September of 2007.</p> <p>8 Q. Understood. But would any of the --</p> <p>9 those remaining interests of Rosneft have</p> <p>10 involved the option agreement of the nominated</p> <p>11 buyer that Mr. Sharipov would be offering</p> <p>12 comments on behalf of Rosneft at that time?</p> <p>13 A. Beyond the loan agreement, I -- I'm</p> <p>14 not sure. I'm not sure. Maybe we'll come to</p> <p>15 that. I'm not --</p> <p>16 Q. He's -- but you don't know one way or</p> <p>17 the other whether he was representing Halebay?</p> <p>18 A. I don't know one way -- one way or</p> <p>19 the other. I do know that as -- that he was</p> <p>20 the party that introduced us to Halebay.</p> <p>21 And there were occasions beyond</p> <p>22 September 2007, where he would flag</p> <p>23 Halebay-related issues to me that he felt that</p> <p>24 we might need to address.</p> <p>25 Q. And under the option agreement with</p>	<p>1 agreement was tied to them getting their</p> <p>2 exposure out and transferred to Halebay.</p> <p>3 Q. Do you know what Mr. Sharipov's doing</p> <p>4 now?</p> <p>5 A. Yes.</p> <p>6 Q. What's he doing now?</p> <p>7 A. He's deputy CEO for Transneft, one</p> <p>8 word, T-R-A-N-S-N-E-F-T.</p> <p>9 Q. Do you have any ongoing contact with</p> <p>10 him?</p> <p>11 A. Yes, I do.</p> <p>12 Q. How often would you say?</p> <p>13 A. Probably two meetings in the last</p> <p>14 year. Probably.</p> <p>15 And -- and probably no meetings the</p> <p>16 previous year.</p> <p>17 Q. Have you any -- had any discussions</p> <p>18 with Mr. Sharipov about this case?</p> <p>19 A. When? I'm sorry.</p> <p>20 Q. Over the past year, have you had --</p> <p>21 or over the past two years, have you had any</p> <p>22 discussions with Mr. Sharipov about this case?</p> <p>23 A. No, not -- does he know of the case?</p> <p>24 I don't recall that I've had</p> <p>25 discussions with him about this case.</p>

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<p>1 Q. Ever?</p> <p>2 A. Oh. No. I have -- ever. Yeah.</p> <p>3 Q. About -- about the lawsuit, you've</p> <p>4 had conversations with Mr. Sharipov about the</p> <p>5 lawsuit?</p> <p>6 A. Oh. I thought you meant Yukos</p> <p>7 Finance B.V. Sorry.</p> <p>8 Q. No.</p> <p>9 A. I believe -- I believe he -- yes, I</p> <p>10 did make him aware of the fact of the lawsuit,</p> <p>11 I believe, at -- at some point. Yes.</p> <p>12 Yeah. I think back closer to the</p> <p>13 time that it was served.</p> <p>14 Or the -- or that I was -- enjoined</p> <p>15 or whatever the -- whatever the term is as a</p> <p>16 defendant. Yeah.</p> <p>17 ---</p> <p>18 (Foresman Exhibit 20 was marked for</p> <p>19 identification.)</p> <p>20 ---</p> <p>21 Q. So the document you've just been</p> <p>22 handed is an e-mail exchange from July 2008.</p> <p>23 So the -- one of the recipients, or</p> <p>24 one of the people on this e-mail exchange, is a</p> <p>25 gentleman by the name of Duco, D-U-C-O, last</p>	<p>1 Halebay -- that Transpetrol -- I'm sorry. Did</p> <p>2 Mr. Oranje know the fact that the consortium</p> <p>3 had entered into the option agreement with</p> <p>4 Halebay on July 28, 2008?</p> <p>5 A. I'm not sure. That wasn't normally</p> <p>6 part of my responsibilities, to communicate</p> <p>7 with Dutch counsel about our legal agreements.</p> <p>8 I presume someone in the consortium would know</p> <p>9 that answer.</p> <p>10 Q. So would it surprise you to learn</p> <p>11 that Mr. Oranje had not been told that the</p> <p>12 consortium had entered into that option</p> <p>13 agreement with Halebay?</p> <p>14 A. I -- am I seeing that here? Or are</p> <p>15 you just asking me?</p> <p>16 Q. No. You're seeing that there.</p> <p>17 That's what -- go ahead and read it.</p> <p>18 Just for your aid, I'm going to make</p> <p>19 it a little easier for you. I'm going to give</p> <p>20 you two documents to look at at once.</p> <p>21 ---</p> <p>22 (Foresman Exhibit 21 was marked for</p> <p>23 identification.)</p> <p>24 ---</p> <p>25 MR. JACOBSON: What number is that?</p>
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<p>1 name Oranje, O-R-A-N-J-E.</p> <p>2 Is Mr. Oranje one of your attorneys</p> <p>3 in the Netherlands?</p> <p>4 A. Yes, he is. What -- well, he was --</p> <p>5 Q. Was?</p> <p>6 A. -- one the consortium's attorneys</p> <p>7 with Clifford Chance in the Netherlands.</p> <p>8 Q. And before July 28, 2008, when</p> <p>9 this -- when he sent the first e-mail in this</p> <p>10 chain, did Mr. Oranje know that the consortium</p> <p>11 had entered into the option agreement with</p> <p>12 Halebay?</p> <p>13 A. Sorry. Where are you -- oh, there's</p> <p>14 his name.</p> <p>15 So -- I --</p> <p>16 MR. PEES: Given that Mr. Oranje is</p> <p>17 the consortium's counsel and you're asking</p> <p>18 about a communication --</p> <p>19 MR. JACOBSON: This was produced to</p> <p>20 us by you, so there's no privilege issue here.</p> <p>21 MR. PEES: Well, no, no. I'm just --</p> <p>22 I want him to be mindful.</p> <p>23 MR. JACOBSON: I understand, but I'm</p> <p>24 asking, did -- and this was a discussion.</p> <p>25 Q. Did Mr. Oranje know the fact that</p>	<p>1 THE COURT REPORTER: That's 21.</p> <p>2 A. Okay.</p> <p>3 THE WITNESS: (Perusing document.)</p> <p>4 Q. So I'm going to let you read anything</p> <p>5 you wanted to read.</p> <p>6 A. Yes, please. I'd like to read it.</p> <p>7 Q. I'm just wanted to tell you where</p> <p>8 I'm -- where I'm going to direct your</p> <p>9 attention?</p> <p>10 A. Okay.</p> <p>11 Q. Then you can take your time.</p> <p>12 In Exhibit 21 that I just gave you,</p> <p>13 second, the second e-mail in the chain is from</p> <p>14 Mr. Deitz. And where Mr. Deitz said says, "We</p> <p>15 should have told Duco about this earlier," and</p> <p>16 acknowledging that he said things in court that</p> <p>17 are not accurate. So that's what I was -- but</p> <p>18 take your time.</p> <p>19 (Witness reviewing document.)</p> <p>20 A. Okay.</p> <p>21 Q. So do you have any idea why the</p> <p>22 consortium didn't tell its lawyer that this</p> <p>23 agreement existed?</p> <p>24 A. No. I -- my -- this is the first</p> <p>25 time I'm seeing this document, I believe.</p>

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<p>1 Since the -- the time and I would share Richard 2 Deitz's surprise that -- that he wasn't aware 3 of it and -- and that seems to have been an 4 oversight that wasn't part of my mandate. 5 MR. JACOBSON: I'm going to hand the 6 reporter two exhibits that I'm going to put in 7 a specific order so that he marks them in 8 order, and then you will get both at the same 9 time. 10 --- 11 (Foresman Exhibit 22 was marked for 12 identification.) 13 --- 14 --- 15 (Foresman Exhibit 23 was marked for 16 identification.) 17 --- 18 Q. I'll let you get back to that in a 19 moment, Mr. Foresman. 20 A. Okay. 21 Q. Were you aware that you were -- that 22 the consortium was under a court order to 23 disclose any agreements that it had with 24 respect to Transpetrol in July 2008? 25 A. No. Which court order?</p>	<p>1 MR. PEES: What was the date again? 2 MR. JACOBSON: October -- well, it's 3 a good point. The -- the conversation would 4 have been in October 23rd, 2007. 5 MR. PEES: Why don't you rephrase it 6 or just repeat the question. 7 MR. JACOBSON: Sure. 8 Q. In -- in or about the 23rd of 9 October 2007, did you have a conversation with 10 an official of the U.S. embassy? 11 A. Yeah. I would like to note that the 12 document that you showed me was stolen from the 13 U.S. government by WikiLeaks. So just as a 14 record, that you're asking me to comment on 15 such a document. 16 So I can't verify the -- the veracity 17 of a WikiLeaks document. But I don't dispute 18 that I could have met the -- the named embassy 19 official to discuss such a topic around that 20 time. 21 Q. And did you tell someone from the 22 U.S. embassy that Transpetrol had a value to 23 the consortium of between 100 and \$150 million? 24 A. The totality of what I could remember 25 about such a conversation would be in a</p>
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<p>1 Q. The -- 2 A. No, I'm not. 3 Q. The Netherlands court. 4 A. I'm not -- I was not engaged with the 5 lawyers in those respects. 6 Q. Please go back to those documents. 7 Sorry to interrupt you. 8 I'll just -- while you're reading, 9 I'll just state for the record what's going on 10 here. So there are -- there are two versions 11 here of a WikiLeaks cable from the U.S. 12 embassy. The first one is redacted and has Xs 13 with respect to the name of a source. 14 And the second document, which is, I 15 guess, Exhibit 23, is unredacted and has your 16 name where the Xs had been. So you can look at 17 either one of them, assuming you agree that 18 they're the same but for that and that the Xs 19 are -- refer to you. 20 A. Uh-huh. 21 Q. So did you, in fact, have a 22 conversation with an embassy official on 23 26 October 2007, to the best of your 24 recollection? 25 A. I --</p>	<p>1 WikiLeaks cable, so I don't recall anything 2 specific about what I said to him. I only had 3 this to go by. 4 So -- and this is his take on what I 5 said to him. So I don't dispute that, although 6 I also can't confirm it's validity, not only 7 because of the source, but because somebody 8 else, who was not taking notes, as I recall at 9 the time or who was not recording himself, 10 conveyed the substance of our conversation. 11 Q. So at this time in -- in October of 12 2007, did the consortium have an internal 13 estimate of the profits that it expected to 14 recognize from this transaction if everything 15 had gone according to its plan? 16 A. It was a bit -- a bit all over the 17 place. From the first time we looked at the 18 project and the ensuing weeks, it was modified 19 substantially down, downward. 20 Q. So in October of 2007, what did 21 you -- what was your -- the consortium's 22 expected profit from the transaction? 23 A. It was vague. It was vague. It 24 was -- it was -- yeah. I don't know off the 25 top of my head. I saw some e-mails that</p>

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1 referred to some of the calculations. We --
2 but it would have been, hopefully, a good
3 profit.

4 But it was very -- it was very -- I
5 don't recall us having a set figure that this
6 was what we were aiming for. It was very much
7 a moving target as other -- as we considered
8 other claims or other -- other components of
9 the transaction. And this was all leading
10 up -- five days later we had the October 31st
11 judgment.

12 So at that time, we were still
13 optimistic because it was before the October
14 judgment, but not as optimistic as we had been,
15 because we were running into some headway with
16 the -- some of the former Yukos managers.

17 Q. In the years, frankly, before the
18 consortium won the auction for Lot 19, had --
19 were you -- are you aware of publicized
20 disputes between Russia and Slovakia about the
21 future of the Transpetrol stake?

22 A. I don't recall being aware of it
23 before we ended up getting involved with
24 Transpetrol after the auction.

25 Q. And at the time you may have met with

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1 Q. -- did you tell an embassy official
2 that the consortium had not yet focused on the
3 sale of the Transpetrol stake at the time of
4 this meeting?

5 A. Can I --

6 Q. Sure.

7 A. Because I don't recall anything from
8 that meeting other than this.

9 Q. It's in paragraph 6.

10 I mean, this document either
11 refreshes your recollection or it doesn't. I
12 don't necessarily disagree with you about
13 WikiLeaks. I'm just asking whether you recall
14 having told an embassy official that the
15 consortium would not have focused on the sale
16 of the Transpetrol stake.

17 A. Uh-huh. Okay.

18 Q. Had you -- do you recall telling an
19 embassy official that the consortium had not
20 yet focused on the sale of Transpetrol?

21 A. I don't recall using those words. I
22 believe I could have said to him that that's
23 not our focus right now, which was -- which
24 was -- it was not our focus. Transpetrol was
25 always a side issue.

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1 the U.S. embassy official in October 2007, were
2 you aware of any interest the United States
3 Government had in the outcome of, you know,
4 where Transpetrol might end up, who might
5 control the stake going forward? Are you aware
6 that the -- of whether the United States had an
7 interest in the future of the Transpetrol
8 stake?

9 A. I don't believe in 2007 I was
10 thinking about what the United States
11 Government thought about a pipeline in
12 Slovakia.

13 At some point when I was contacted by
14 an embassy official specific to Transpetrol, it
15 piqued my interest that they were -- that they
16 had -- that they were interested in knowing
17 what was going on.

18 But I didn't know that they had
19 some -- if you're inferring that the U.S.
20 government had some interest in the outcome of
21 that asset, that was not something that I would
22 have been aware of, to the best of my
23 knowledge --

24 Q. And --

25 A. -- to the best of my recollection.

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1 And -- but I may have -- I may have
2 indicated that. And I may have indicated that,
3 as suggested here, that we could be interested
4 in a negotiated solution. And I would have
5 said this -- I would have said this knowing
6 that we had an option agreement with somebody
7 else. But I -- I would have -- I think I still
8 indicated that we could be interested in
9 another solution.

10 Q. So did you -- I'm sorry. Did you say
11 you indicated that you had an option agreement
12 to -- in place?

13 A. No. I said I would have known at the
14 time that I said this that we had an option
15 agreement with Halebay. But I still said this.

16 Q. And is there any reason you would
17 have not disclosed that existence of that
18 option agreement to the embassy official you
19 met with?

20 A. Yes, because it was a commercial --
21 it was a commercial transaction that I was
22 meeting voluntarily, not testifying. I was
23 meeting with a economics official. That's
24 not -- that's not something you -- that's not
25 something that I would -- that I would

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<p>1 disclose. It wasn't in the public domain. I 2 wouldn't disclose that. 3 Q. But you affirmatively misled him; is 4 that correct? 5 MR. PEES: Objection. 6 A. No. No, it's not correct. 7 Q. So when you said you hadn't focused 8 on it -- 9 A. No, I didn't say -- those were his 10 words, that we haven't -- I -- I believe that 11 what I would have conveyed is that that wasn't 12 our focus at this point. 13 Not that we had -- that wasn't 14 the -- that wasn't central to what we were 15 looking to do with respect to Yukos Finance 16 B.V. I did not disclose to him, to the best of 17 my recollection, and in accordance with this 18 note, that we had an option agreement to 19 another party. 20 But I recall entertaining in my 21 head -- and there's some e-mails from much 22 later that indicate that we were not excluding, 23 although it would have been tricky, we wouldn't 24 have excluded a sale to a party that was not 25 Halebay.</p>	<p>1 Q. Sure. 2 A. That doesn't refer to a specific 3 other buyer. It means in general. 4 Q. Who is the gentleman by the name of 5 Stephen Hellman? 6 A. Yeah. I -- I'm not the most 7 knowledgeable person in the room about him, but 8 I have a vague understanding of who he is. 9 Q. What's the understanding you have? 10 A. Let me clarify, as I did in my 11 previous deposition. There are two Steve 12 Hellmans -- 13 Q. Ah, yes. 14 A. -- in Moscow. One was for many years 15 the head of Credit Suisse. This is a different 16 Steve Hellman. 17 So, Mr. Jacobson, was your question 18 what I knew then -- what I knew in 2007 19 about -- 20 Q. What you know -- your understanding 21 now. 22 A. Today? 23 Q. Yeah. 24 A. Was -- he is a -- was somebody that, 25 I think, was a family friend or a childhood</p>
Page 210	Page 212
<p>1 We paid the loan and dealt with -- 2 and -- but we would have obviously taken legal 3 advice as to whether we could have -- whether 4 that would have been a legal breach of the 5 option agreement. 6 Q. So you think at this time there was 7 still a possibility that the Transpetrol stake 8 might have gone to someone -- 9 A. Yes. 10 Q. -- other than Halebay? 11 A. Yes, and subsequent to this, I 12 believe -- 13 MR. PEES: Bob, let him finish the 14 question so that -- for the benefit of both the 15 court reporter and the general clarity of the 16 record. 17 Q. We have both been doing great so far. 18 That was -- that was a rare slip. A rare slip. 19 So just to be clear, there was a 20 possibility in your mind that the -- that 21 the -- the Transpetrol stake could have been 22 sold to someone other than Halebay at this 23 time? 24 A. Yes. 25 Can I clarify?</p>	<p>1 friend or -- some connection with Stephen Lynch 2 from back -- wherever that was, New York 3 State -- and that he was some sort of a -- an 4 investor. I don't know what he did, real 5 estate. I don't know what -- some sort of 6 investor. 7 And he had been in contact with Lynch 8 and maybe Deitz, but at least Lynch before the 9 auction about putting together a consortium on 10 his own or joining our consortium to bid for 11 this asset and that he was in consultation with 12 Mr. Godfrey. 13 And there was -- I've heard that he 14 had some state department advisory role, which 15 I have not confirmed, owing to some 16 acquaintance that he may have had with 17 Secretary Rice at the time. 18 And that he was someone that looked 19 to be engaged in -- today, I know, or have 20 reason to believe that he was looking to 21 involve himself in certain matters, including 22 Transpetrol, not always clear what -- whether 23 this was for the benefit of the United States 24 Government or his own benefit or other parties. 25 That's pretty much the extent. I</p>

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<p>1 know him -- and other than one meeting I had 2 with him, at his initiative, after I left 3 Renaissance. 4 Q. So that was my -- that was my next 5 question: Have you ever -- have you ever met 6 him? 7 A. Yes. 8 Q. So you met him once? 9 A. I believe it was just once. Might 10 have been twice. 11 Q. When was that? 12 A. I was at Barclays, so it was -- I 13 don't know if 2010, '11, '12, one of those 14 times. 15 Q. And did you have any conversations 16 with Mr. Hellman regarding Lot 19? 17 A. No. I don't -- I don't believe that 18 it was respect to Lot 19. I believe it was 19 with respect to something else that he had in 20 mind. 21 Q. No. I know. But when -- during the 22 2007 timeframe, did you have any exchanges? 23 A. No, not to my -- I don't think I had 24 ever spoken to him before I met him, to the 25 best of my recollection.</p>	<p>1 (Foresman Exhibit 24 was marked for 2 identification.) 3 --- 4 MR. JACOBSON: 25? 5 THE COURT REPORTER: It's 24. 6 Q. So when Mr. Sharipov -- 7 A. I'm sorry. Let me just finish 8 reviewing it. 9 Q. Take your time. 10 THE WITNESS: (Perusing document.) 11 A. Yes. 12 Q. So when Mr. Sharipov expressed 13 concerns about the -- 14 A. I'm sorry. My e-mail that -- at the 15 top. 16 Q. That's where I wanted to focus your 17 attention. 18 A. Yeah. Uh-huh. 19 Q. When Mr. Sharipov expressed his 20 concerns, you had a rather pithy response to it 21 that I would like you to read out loud, please. 22 A. Rashid, for the record, I strongly 23 disagree with your comment that the sellers -- 24 that, quote, the sellers -- possibility to 25 transfer the shares to a third-party does not</p>
Page 214	Page 216
<p>1 Others in the consortium did. 2 Q. Am I correct that you had 3 conversations with the Slovakian government at 4 some point with regard to the sale of the 5 Transpetrol stake? 6 A. Correct. 7 Q. And we'll talk about those in a 8 little bit more detail later, but did the 9 Slovakian government officials mention 10 Mr. Hellman to you? 11 A. Not that I -- I don't recall. If 12 they did, I don't recall it. 13 I don't believe they did, but I 14 can't -- I feel like that would be the sort of 15 thing I would remember. 16 Q. So we'll come back to that. 17 After the Lot 19 auction, did 18 Mr. Sharipov ever express a concern to you that 19 the consortium might sell the Transpetrol stake 20 to someone other than the nominated buyer? 21 A. I'm not sure. He -- he may have. I 22 suspect if he did, we would -- it would be 23 somewhere in the e-mail cache, but I can't 24 recall right now. 25 ---</p>	<p>1 look so remote even today, end quote, period. 2 We are not insane. 3 Yeah. 4 Q. So is it fair to say that that e-mail 5 is suggesting that there is no possibility that 6 anyone other than Halebay would get Transpetrol 7 from you? 8 A. It does -- it does suggest that, at 9 least without -- without their approval. It 10 does suggest that. 11 Q. And why would it have been insane for 12 the consortium to have sold the stake to 13 someone other than the nominated buyer? 14 A. Because we were talking likely 15 about -- potentially about the state company. 16 Well, I don't know if at that point we assumed 17 that Halebay could have been representing 18 Gazprom Neft. But, yeah, it would have been -- 19 it would have been -- to do that in a hostile 20 way would have been very risky. Very risky. 21 Q. In a manner -- in a manner unapproved 22 by the nominated buyer, is what you're saying? 23 A. In a manner unapproved by the 24 nominated buyer. Yes, in a manner unapproved 25 by the nominated buyer. Yeah.</p>

<p style="text-align: right;">Page 217</p> <p>1 Q. Which you understood to be likely a 2 state-controlled entity, but you didn't know. 3 A. No. 4 Q. So is it fair to say that you were 5 not interested in selling Transpetrol for the 6 highest price you could get? 7 A. Well, at that point we had an option 8 agreement. We had -- sorry. At that point, we 9 had taken out a loan of \$60 million or a loan 10 was extended to us by Rosneft for \$60 million. 11 And we were in negotiations with 12 Halebay on taking that loan over, that 13 \$60 million, in exchange for an option 14 agreement at 105 million. We wanted to 15 preserve that \$60 million loan. So at that 16 point, that was -- that was our priority. 17 I don't know if I answered your 18 question or -- 19 Q. Well, so if someone had come to you 20 with an offer to sell it for, say, 21 \$200 million, would that have been more 22 beneficial to you than the \$105 million option 23 agreement? 24 A. If they had -- if they had come to -- 25 if they had come to us at that stage and</p>	<p style="text-align: right;">Page 219</p> <p>1 hundred-million-dollar loan, we would have 2 taken that. It was -- we -- Halebay was the 3 only option that we had. 4 Q. Did the consortium carve out 5 specialty rights for Mr. Lynch with regards to 6 Transpetrol? 7 A. Did the -- not sure if I understand 8 the question. I don't -- it doesn't ring a 9 bell. If you could -- I don't recall special 10 rights to Mr. Lynch with respect to 11 Transpetrol, specific to Transpetrol. 12 --- 13 (Foresman Exhibit 25 was marked for 14 identification.) 15 --- 16 A. Did you want me to read the entire 17 thing, or -- 18 Q. Take your time. Take a look at it. 19 THE WITNESS: (Perusing document.) 20 Q. It's really paragraphs 4 and 5 that 21 refer to SL as Mr. Lynch, and giving him some 22 rights with regard to the Transpetrol sale. 23 A. Yeah, I -- 24 MR. PEES: Wait till there's a 25 question pending.</p>
<p style="text-align: right;">Page 218</p> <p>1 offered to either pay that to us now, prior to 2 us having an ability to actually transfer the 3 shares, or had said, We'll give you a 4 \$60 million loan. We'll take the loan, and 5 we'll pay you 200, then I have no doubt that we 6 would have taken that deal. 7 Q. Even though that would have been 8 insane. 9 A. That was -- this is -- I'm saying at 10 that point, prior to the option agreement 11 having been signed with Halebay, as I 12 understand it, this is -- we're negotiating the 13 wording of the option agreement. 14 And as I understand it, Rashid is 15 saying, Rob, there's some wording in there that 16 basically indicates that potentially you could 17 sell this to a third party, so this would have 18 been after signing. 19 This is prior to signing. And I 20 understood your question to be, if someone had 21 come to you and said, Here is 200 instead of 22 105, if they came to us at this time, we would 23 have taken that. That was a lot -- or if they 24 had said, 105 valuation but instead of a 25 \$60 million loan, we'll make it a</p>	<p style="text-align: right;">Page 220</p> <p>1 A. So I'm not answering -- no, I wasn't 2 going to answer the question. I was just going 3 to say if you only -- 4 MR. PEES: Don't. Wait. Wait till 5 you have a question, and you can answer. Is 6 there a question pending? I don't want to -- 7 Q. The question pending was, I'm going 8 back to -- does this refresh your recollection 9 as to whether Mr. Lynch had special rights with 10 regard to Transpetrol? 11 MR. PEES: Okay. And I'm going to 12 object to the question insofar as it calls for 13 a legal conclusion. 14 But you should feel free to answer 15 the question. 16 A. Yeah. Thank you. 17 But I was just going to say that if 18 you want me to give a view on this, I -- it's a 19 legal document that I don't recall having seen. 20 I may have seen it at some point. I may have 21 read it or not. I would really need to 22 familiar -- this is a legal document. It looks 23 a little technical. And I would need to -- if 24 you want to point me to specific -- 25 Q. All right. I mean, it's --</p>

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<p>1 A. -- paragraphs.</p> <p>2 Q. It speaks for itself. I mean, I'm</p> <p>3 pointing -- I pointed you to paragraphs 4 and</p> <p>4 5, which describe him having rights to bring</p> <p>5 forward alternative purchasers and all that.</p> <p>6 And basically, I'm -- I'm asking you to agree</p> <p>7 with me that he had rights that no other member</p> <p>8 of the consortium did. But -- and --</p> <p>9 MR. PEES: With the objection that</p> <p>10 the question calls for a legal conclusion, you</p> <p>11 can answer --</p> <p>12 Q. If you can.</p> <p>13 MR. PEES: -- what your lay</p> <p>14 understanding is, to the extent you know, Bob.</p> <p>15 I'm not trying to instruct you not to answer</p> <p>16 the question. But I'm just noting the</p> <p>17 objection on the record.</p> <p>18 A. Understood. Understood.</p> <p>19 Yeah. As a nonlawyer, as layperson,</p> <p>20 this seems to -- this document seems to give</p> <p>21 Stephen Lynch the ability to seek an</p> <p>22 alternative purchaser, which must have escaped</p> <p>23 my mind.</p> <p>24 Q. Did RenCap have similar rights, to</p> <p>25 your knowledge? Without regard to that -- you</p>	<p>1 ---</p> <p>2 (Foresman Exhibit 26 was marked for</p> <p>3 identification.)</p> <p>4 ---</p> <p>5 MR. JACOBSON: Just for the record,</p> <p>6 Mr. Foresman, I've just shown you an e-mail</p> <p>7 exchange, the earlier message of which is dated</p> <p>8 27th of August 2007, at 8:20 p.m. And then</p> <p>9 there's a couple of messages above it, the most</p> <p>10 recent of which is August 28, 2007, at 8:34 in</p> <p>11 the morning.</p> <p>12 And you can take as much time as you</p> <p>13 need to read it. The one that I want to focus</p> <p>14 your attention on, though, is your message --</p> <p>15 I'm sorry -- Robert Reid's message -- I'm</p> <p>16 sorry. No. I was right the first time. Your</p> <p>17 message to Robert Reid, second in the chain,</p> <p>18 Augusts 28 at 11:56 a.m.</p> <p>19 A. Okay.</p> <p>20 Q. So you said that you had spoken again</p> <p>21 with Lynch and that he's nervous but he trusts</p> <p>22 you. Do you recall what he was nervous about?</p> <p>23 A. I believe I've seen this document</p> <p>24 in -- in production. And I think I -- I think</p> <p>25 I interpreted this to mean, because I don't</p>
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<p>1 know, just not necessarily with regard to that</p> <p>2 document, did RenCap have the ability to bring</p> <p>3 forward an alternative --</p> <p>4 A. Not to my knowledge. But I should</p> <p>5 clarify that I don't recall Stephen Lynch</p> <p>6 having this right or Richard Deitz or RenCap.</p> <p>7 Yes.</p> <p>8 Q. As you sit here today, again, you've</p> <p>9 said you don't remember this document. But as</p> <p>10 you sit here today, do you think that Mr. Lynch</p> <p>11 would have been in a better position than</p> <p>12 RenCap to identify alternative buyers for the</p> <p>13 Transpetrol stake?</p> <p>14 A. No. But -- but, again, I'm not a</p> <p>15 lawyer. He was the, I think, general director</p> <p>16 of Promneftstroy. And I -- I think it's the</p> <p>17 shareholder -- I -- I thought it was -- I</p> <p>18 thought it was -- I read it not as a lawyer to</p> <p>19 be specific to his role as general director of</p> <p>20 the company, the shareholders, the shareholders</p> <p>21 giving him some -- guidelines as the general</p> <p>22 director. But, yeah, I'm -- I guess I'm the</p> <p>23 wrong guy to ask.</p> <p>24 Q. We'll get away from legal documents</p> <p>25 now.</p>	<p>1 recall writing it, but I don't dispute it.</p> <p>2 I think I recalled that the agreement</p> <p>3 that Lynch had had, with the consortium in</p> <p>4 terms of his compensation, for success, was</p> <p>5 somehow at risk of being -- he thought it was</p> <p>6 at risk of being retraded.</p> <p>7 For the -- avoidance of doubt, I</p> <p>8 don't understand this to have anything to do</p> <p>9 with --</p> <p>10 THE COURT REPORTER: For the what?</p> <p>11 A. For the avoidance of doubt, I don't</p> <p>12 understand this to have any relation to the</p> <p>13 previous document with respect to Lynch's</p> <p>14 rights with respect to Transpetrol.</p> <p>15 This was his overall consortium,</p> <p>16 upside agreement, that he seemed to think</p> <p>17 that -- that someone in the consortium behind</p> <p>18 his back was trying to retrade on that. And I</p> <p>19 assured them that that wouldn't happen.</p> <p>20 Q. And then you -- you tell Mr. Reid</p> <p>21 that with respect to Mr. Lynch, we cannot screw</p> <p>22 him. Not only would it be wrong and</p> <p>23 reputationally bad, but the Kremlin would not</p> <p>24 be amused.</p> <p>25 A. Uh-huh.</p>

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<p>1 Q. So why would the Kremlin care about 2 your deal with Mr. Lynch and his compensation? 3 A. Again, the -- 4 MR. PEES: Objection. 5 But you can answer the question. 6 A. Again, not the most precise word 7 choice of "the Kremlin." We had entered into 8 an agreement with Rosneft, a state company with 9 a board of government officials. And Mor -- 10 and GML acquired the lot, 19, through Stephen 11 Lynch's vehicle, MonteValle, and all these 12 complex arrangements about attachments and 13 reciprocal dropping of claims and option 14 agreement -- loan from Rosneft, option 15 agreement to sell to Transpetrol. 16 And if our consortium, three weeks 17 after the auction, started to show all this 18 dissent, people were -- consortium partners 19 were suing each other, this would be very 20 poorly received. 21 And I was trying to -- I, understand, 22 give comfort to Stephen: Don't worry about it. 23 We are not going to -- this would not be well 24 perceived so soon after the auction and we've 25 got this interfighting.</p>	<p>1 don't know about Deitz's involvement. 2 I found -- I was not in that 3 negotiation. I found out subsequent to that, 4 that it -- 10 percent had been agreed. And I 5 said that I felt that that was too aggressive, 6 that that was -- sorry -- that that was too 7 generous. 8 Q. And the response was? 9 A. Well, we've already agreed it with 10 him, so... 11 Q. Is -- to your knowledge, would anyone 12 in the Kremlin have been displeased if 13 Mr. Lynch's upside had been reduced below that 14 10 percent? 15 A. I see where you're -- where you're 16 inferring. And that's the first time in my 17 life that I've heard such an inference. And I 18 don't know what to say beyond that, other 19 than -- other than that that never crossed my 20 mind. 21 Q. Did Mr. Deitz ultimately oust 22 Mr. Lynch from a position in the consortium? 23 A. So if -- if you're referring to -- so 24 well after I left -- I left Renaissance and all 25 matters related to this in 2009.</p>
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<p>1 Q. So what was Mr. Lynch's compensation 2 in this deal that the consortium had agreed to 3 with him? 4 A. To the best of my recollection -- and 5 there are some e-mails that refreshed my mind 6 because I didn't recall this -- he was given, I 7 believe, an -- an upfront payment upon either 8 successful winning of the auction or some -- 9 some milestone of, I think it was -- I was it 10 is 1.25 million but -- dollars. But it's in 11 some of the documents. 12 And then he was given what I 13 considered a quite generous upside and any 14 profit beyond the -- profit. Meaning beyond 15 the consortium's investment -- 16 Q. And -- 17 A. -- of 10 percent, I think. 18 Q. -- was there any -- were these terms 19 that Mr. Lynch proposed to the consortium, or 20 was there a negotiation, first? 21 A. So I found out about the -- his 22 upside, his 10 percent, after a negotiation 23 between, I believe, Mr. Olphert, at Renaissance 24 Capital, maybe Mr. Jennings. But I believe 25 Mr. Olphert was representing RenCap in that. I</p>	<p>1 There's been a -- a lot of litigation 2 between Lynch and Reid that I haven't followed 3 closely. 4 MR. PEES: Excuse me. I apologize 5 for interrupting the witness, but you said 6 "between Lynch and Reid." 7 A. Sorry. Lynch and Deitz. I'm sorry. 8 MR. PEES: I won't -- just -- 9 THE WITNESS: Sorry. Thank you. 10 A. Sorry. Lynch and Deitz that I 11 haven't followed closely, don't know all the 12 terminology. But I believe your description of 13 the -- the Deitz -- I don't want to put -- 14 don't want to misquote you, but kicking -- 15 Q. Ousting, I said. 16 A. Yeah. 17 Is understood, except by that point, 18 I don't know that "consortium" was the right 19 word. 20 Because at that point it was -- 21 Q. Right. 22 A. -- Richard Deitz basically. 23 Q. And to your knowledge, was there any 24 sort of governmental resistance to Mr. Lynch 25 being --</p>

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<p>1 A. Not to my knowledge, no. 2 Q. -- ousted? 3 Did Mr. Lynch raise the idea of being 4 appointed to the board of Transpetrol? 5 A. I -- I don't recall. 6 Q. See if this refreshes your 7 recollection. 8 --- 9 (Foresman Exhibit 27 was marked for 10 identification.) 11 --- 12 THE WITNESS: (Perusing document.) 13 Q. It's item 3 on this e-mail that I'm 14 most focused on, but take your time and read as 15 much as you want. 16 A. Okay. 17 Q. So does this refresh your 18 recollection as to whether Mr. Lynch made a 19 request to be on the board of Transpetrol? 20 A. No, it doesn't. 21 Q. And have you ever -- did you see this 22 document before today? 23 A. I think I -- I think it may be in our 24 packet. And focus on it? But I see that I'm 25 copied here, and I think -- I think it is in</p>	<p>1 represent to you that Mr. Lynch testified that 2 his first approach to you about the Lot 19 deal 3 was by e-mail and that he did all of his 4 e-mails on the same day, which was the 2nd of 5 August, which was a Thursday. 6 A. Uh-huh. 7 Q. Is that inconsistent with your 8 recollection? In other words, is that -- is 9 that -- is that possible? And do you remember 10 it any differently? 11 A. It's possible. It's -- I -- I don't 12 recall that. I don't recall that. I wasn't 13 having -- I didn't really have a relationship 14 with Stephen other than the short time that he 15 was looking to speak to Renaissance. I don't 16 know if we e-mailed with each other. 17 So I don't exclude that, but I don't 18 recall it. 19 Q. And the other point in time that 20 Mr. Lynch testified to was that the meeting 21 with him and you and Mr. Deitz took place on 22 Friday, August 10. 23 And so does that -- is that 24 consistent with your recollection? Or do 25 you -- do you know -- is that -- is that</p>
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<p>1 the -- in the cache. 2 But it doesn't -- I don't know why he 3 would have sought a seat on the board of 4 Transpetrol. And I don't think this -- I can't 5 imagine this issue got a lot of air time. 6 Q. And have you heard before him stating 7 his reason as, quote, that comes from higher 8 than you and me? 9 A. No. I've -- I -- I'm not aware of 10 that. I see it says, "Can Bob explain?" 11 Q. That was my -- going to be my next 12 question. 13 A. No, I can't. 14 Q. Bob can't. 15 A. I mean, the only thing I -- 8/29, was 16 that -- I'm not sure if we were already in 17 discussions with Halebay at that point or 18 Rashid had already introduced us. He must -- 19 there must have been -- yeah, Rashid must 20 have -- so he may have heard it from Halebay or 21 Rashid. But -- but I -- I don't know that I 22 can explain that background. 23 Q. So let's get away from documents for 24 a minute. 25 Mr. Lynch -- I'm just going to</p>	<p>1 possible or do you recall it another way? 2 A. Well, first of all, I'm not sure. 3 You said "the meeting." A meeting. I think we 4 had -- 5 Q. Fair enough. A meeting with -- 6 A. A meeting may have taken place on -- 7 on August 10th. As a general rule and not to 8 be applied across the board necessarily, but as 9 a general rule, Steve -- this was a -- this 10 whole Yukos Finance B.V. thing from then up 11 until today was much bigger in Stephen Lynch's 12 life than in my life. 13 So as a general rule, not always 14 true, he tends to have a better recollection of 15 some dates and -- and -- and whatnot. 16 Q. I'm smiling only because every 17 deposition I've ever taken has been focusing in 18 some small moment in someone's life that turns 19 into a whole different thing 10 years later. 20 So I did not mean to be -- 21 A. No, no, no. 22 Q. I was smiling along with you, not -- 23 not suggesting anything different. 24 A. Oh, and I didn't take it differently. 25 Q. And the reason why I was -- I was</p>

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1 using Mr. Lynch's testimony is just because I
2 think it helps to frame the days of the week.
3 Because if, in fact, the first approach to you
4 was on a Thursday and then a -- a significant
5 meeting with Mr. Deitz was the following
6 Friday, one of the questions that I was -- if
7 it helps to refresh your recollection -- it may
8 not -- is if, in fact, the first approach for
9 Mr. Lynch came on a Thursday, do you recall
10 whether you met with him as quickly as the day
11 after? Or would it have been after that
12 intervening weekend?
13 A. With Mr. Deitz?
14 Q. With Mr. -- with Mr. Lynch.
15 So, in other words, if the first
16 approach and then you had -- if the first
17 approach came by e-mail, which I know you don't
18 remember, but if the first approach came by
19 e-mail, do you recall whether you had a meeting
20 with him on a Friday before the weekend, or do
21 you remember it being toward the start of the
22 week? Maybe you don't remember. But that's --
23 I'm trying see if this timeline helps to
24 refresh your recollection about how compact the
25 time frame was between your first meeting with

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1 Mr. Lynch and when there was a significant
2 meeting on Friday, with all these e-mails going
3 back and forth about today's the day we got to
4 go.
5 So might it have been longer than
6 sort of a four-day period when all this happens
7 together? Or -- you see where I'm going with
8 this? Does this refresh your recollection at
9 all about how quickly all of this was coming
10 together?
11 MR. PEES: So that was a long --
12 A. Yes.
13 MR. PEES: You understand it --
14 A. I think so. Let me answer as
15 follows, and you tell me if I'm
16 misunderstanding your question.
17 So as I testified, at some point
18 Lynch came to me. I've said before early
19 August, end of July. I don't know if that's
20 July 28. I don't know if that's August 1st. I
21 don't know if it's August 5th. But he came to
22 me with this idea, the -- which was more raw at
23 the time.
24 I first flagged it with Alexander
25 Pertsovsky, the CEO. He gave me one resource

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1 to do a little research on this thing. I have
2 a pretty vivid -- not absolute iron-clad, but a
3 pretty vivid recollection that more time had
4 passed than the time period -- between that
5 first approach and us coalescing around the
6 agreed consortium, with Rosneft's interests
7 confirmed, more time would have passed between
8 that initial approach, when Lynch came to me
9 with that raw idea and I flagged it with the
10 CEO of RenCap. More time passed than would
11 have passed between the 10th and the 13th.
12 So this could not -- the first time
13 Lynch ever mentioned Lot 19 to me could not
14 have been the Thursday before this Friday.
15 Sorry. You say Friday was the 10th?
16 Q. No. So Friday was the 10th. And I
17 would suggest so if -- if the first e-mail to
18 you came on August 2, which was a Thursday, I
19 would be suggesting an eight-day period of time
20 between that first approach and the August 10th
21 frenetic go/no go date. Is that -- is an
22 eight-day timeframe consistent with your
23 recollection? Or do you think it was longer?
24 A. That would be a plausible timeframe.
25 But what I would note is I don't -- the memo

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1 that we discussed earlier today, I don't know
2 if that was a first memo that was in raw form
3 as I talked about it or whether there was a
4 more refined memo that would have been closer
5 to the 10th.
6 But in the event that that was the
7 one and only memo, then one day -- i.e.,
8 Thursday, the 9th, to August 10 -- would not
9 have been plausible, because I remember
10 there --
11 Q. Oh, of course.
12 A. It would have been 8 days or 15 days.
13 Q. Understood.
14 So, first of all, you mentioned twice
15 that you flagged the possibility with
16 Mr. Pertsovsky. How did you do that? Was that
17 a meeting? an e-mail?
18 A. I think it was -- we sat next to each
19 other, so I assume it was a -- well, if I had
20 gotten an e-mail from Lynch, I may have
21 forwarded that to him, but not necessarily
22 because it was -- Stephen is a good man, but
23 he -- it's not very crisp and concise. It's a
24 bit of a novella. So I may -- and Alexander
25 was a trader by art.

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1 So I may have just walked in and
2 explained really pithy, not expecting him to
3 read a three-page, you know, narrative. So
4 I -- I assume I just walked next door and told
5 him and -- and waited for his reaction.
6 Q. So at what point do you recall
7 knowing that Rosneft held attachments in the
8 Lot 4 -- Lot 19 assets?
9 A. I don't know if I knew or ever used
10 the word "attachments" at that stage.
11 Q. Credit interests.
12 A. I may have used claims or liens.
13 I -- Deitz distinguishes. For me, I
14 don't distinguish between all those things.
15 He's in the distressed debt world.
16 It could not have been until -- I
17 can't fathom it had been -- I can't fathom it
18 being before Lynch approached me about Lot 19
19 that I had ever heard of Rosneft attachments on
20 Yukos Finance B.V. So I'm assuming it was when
21 Lynch -- I assume when he first approached me
22 about it. If I'm not being clear, maybe I'm
23 not understanding --
24 Q. No, no. You're doing the best you
25 can, and I appreciate it, because there's --

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1 certain events that you testified to, and I'm
2 just trying to get the timeline to the best of
3 your recollection, because that's why we are
4 here.
5 So to the best of your recollection,
6 it was Mr. Lynch who told you that Rosneft held
7 some kind of credit interests in the assets?
8 A. To the best of my recollection, or
9 that could have been when we sat down with
10 Deitz, who knew the -- these sort of concepts
11 more than Lynch, Lynch or Deitz. I don't
12 recall beyond that.
13 I -- what I recall from the first
14 approach from Lynch was that there was a --
15 Yukos Finance B.V. had some cash; it had some
16 pipeline stake. It was a messy, tangled, Dutch
17 legal battle with claims from different
18 parties.
19 And so complicated, foreign
20 jurisdiction, that he thought an international
21 investment consortium might be able to bid for
22 this asset because nobody would know what to do
23 with it.
24 And -- yeah. I don't know that I was
25 thinking about Rosneft attach -- it was -- it

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1 was very -- I didn't take it very seriously
2 initially, to be honest with you.
3 Q. What did you have on your mind when
4 you called Peter O'Brien?
5 A. Okay. Do we know when I called Peter
6 O'Brien?
7 Q. That's what we are trying to find
8 out, is that you -- you didn't say. And so the
9 point is, at some point in this process, you
10 called Peter O'Brien.
11 A. Yeah.
12 Q. And so I'm trying to find out what
13 you had in your mind at the time you called
14 him.
15 A. All I recall saying -- and it may be
16 beyond this, but to the best of my
17 recollection, all I recall saying to -- sorry,
18 saying to Peter and who -- as I understand from
19 my own e-mails, after much more recently, he
20 was on vacation.
21 And I asked him, I said that we
22 have -- there's an idea about auction Lot 19,
23 and we think there's a compelling opportunity.
24 And we wanted to -- to discuss this with
25 Rosneft.

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1 And he said, "I'm not involved in
2 this."
3 But I don't -- I don't -- I -- I find
4 it highly implausible, highly unlikely that I
5 would have spoken to him about attachments or
6 any details. It was -- they could just flag
7 the lot number; we're going to talk to Rosneft.
8 He said, "Not for me."
9 Q. Are you sure you knew about the
10 attachments?
11 A. No, I'm not sure. I'm not sure.
12 Q. And if you didn't know about the
13 attachments, why else would you have been
14 calling Rosneft to talk about the Lot 19
15 opportunity?
16 A. Well, whenever I call -- whenever it
17 was that I called Peter O'Brien, I must have
18 known that Rosneft was a -- was somehow
19 involved in the -- in the Yukos Finance B.V.
20 Whether I knew the word "attachment" or "claim"
21 or "lien," I don't know.
22 But I would have known that there
23 was -- I don't think I ever had thought of
24 Lot 19, including from the very first time
25 Lynch mentioned it to me, without knowing of

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<p>1 some relevance of Rosneft. But because I'm not 2 expert in the liens, claims, attachments, I -- 3 I -- I -- but I don't think there was ever a 4 time that Lynch or anybody else discussed Yukos 5 Finance B.V. without it being clear that 6 Rosneft was a -- an interested party. 7 MR. JACOBSON: We've been going about 8 an hour. Now would be a good time to take a 9 little break. I want to consult with my 10 colleagues anyway. So go off. 11 THE VIDEOGRAPHER: Going off the 12 record at 2:42 p.m. This marks the end of 13 Media Unit Number 4. 14 (Recess from 2:42 to 3:00.) 15 THE VIDEOGRAPHER: We are back on the 16 record at 3:00 p.m. This marks the beginning 17 of Media 5. 18 Q. Mr. Foresman, are you familiar with a 19 company called Muse Stancil, M-U-S-E 20 S-T-A-N-C-I-L? 21 A. I don't believe so. Doesn't ring a 22 bell. 23 Q. If I told you that Muse Stancil 24 prepared a valuation for Transpetrol, does that 25 help refresh your recollection?</p>	<p>1 bunch of other people. And then one above 2 that, Mr. Deitz forwards the e-mail to you. 3 THE WITNESS: (Perusing document.) 4 A. Okay. 5 Q. So does this refresh your 6 recollection at all about the existence of a 7 valuation for Transpetrol by Muse Stancil? 8 A. Would you mind if I just read my 9 response here? 10 Q. Take your time. 11 A. Yeah. 12 MR. PEES: And, Bob, after you're 13 finished reading the response, perhaps you can 14 repeat the question, or the court reporter 15 could. 16 MR. JACOBSON: Sure. 17 THE WITNESS: (Perusing document.) 18 A. Okay. I'm sorry. Could you repeat 19 the question. 20 Q. The question was, does this refresh 21 your recollection as to whether there was a 22 third-party valuation for Transpetrol that came 23 in at \$200 million? 24 A. I -- I see it here, and I see I was 25 copied. It doesn't -- it doesn't freshen my --</p>
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<p>1 A. No, but I don't exclude that I may 2 have read the name at some point, but it 3 doesn't ring a bell at all. 4 Q. Are you familiar with any valuations 5 for Transpetrol that you knew about in August 6 of 2007? 7 External valuations? 8 A. I -- I don't recall. I recall 9 several markers for Transpetrol valuation. I 10 don't -- I don't recall whether one of them was 11 an actual valuation report. 12 No. 13 Q. So I'm going to show you an e-mail 14 that you're on. 15 --- 16 (Foresman Exhibit 28 was marked for 17 identification.) 18 --- 19 Q. There are parts of this that are 20 garbled, but there's really only one 21 non-garbled piece that I want to direct your 22 attention to, which is on the second page of 23 the document that I've just handed you. 24 There's an e-mail that's from Steve 25 Hellman, to Richard Deitz. And the copy to a</p>	<p>1 refresh my memory at all, to be frank. But I 2 see that I was copied. 3 I think it demonstrates where I've 4 seen that 200 million in another place, and I 5 see it probably came from this. But yeah. I 6 don't -- I don't remember -- I see the e-mail. 7 It doesn't refresh my memory about having seen 8 a valuation report, but -- but -- 9 Q. Did Mr. Deitz tell you himself that 10 there was a valuation report for Transpetrol at 11 \$200 million? 12 A. I don't recall. I -- what I see in 13 the -- in these e-mails was Deitz having 14 received well in -- two weeks prior to the 15 auction something from Hellman that I 16 understand he did not forward to us at 17 Renaissance until a year later. 18 So I can't -- 19 Q. That's why I asked if Mr. -- if 20 Mr. Deitz told you in August 2007 that there 21 was a valuation for the Transpetrol shares. If 22 you remember. 23 A. He may have. I can't recall. 24 Q. And did Stephen Jennings ask you to 25 work with the investment team to conduct due</p>

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<p>1 diligence into the Yukos Finance shares?</p> <p>2 A. Sorry.</p> <p>3 I -- I don't understand the question.</p> <p>4 I --</p> <p>5 MR. PEES: By Yukos Finance shares,</p> <p>6 you're referring to Lot 19?</p> <p>7 Q. Lot 19. Right.</p> <p>8 A. Prior to the auction?</p> <p>9 Q. Prior to the auction.</p> <p>10 A. I -- he may have. I don't -- I</p> <p>11 don't -- sorry. Can you repeat the question?</p> <p>12 Q. Sure. So did Stephen Jennings -- do</p> <p>13 you recall whether Stephen Jennings asked you</p> <p>14 to work with the investment team to perform due</p> <p>15 diligence into the Lot 19 assets?</p> <p>16 A. I don't recall specifically, but</p> <p>17 Stephen -- when Stephen and I discussed that it</p> <p>18 was worth us pursuing, you know, quite -- close</p> <p>19 to the auction, his expectation was that I</p> <p>20 would be very involved in understanding whether</p> <p>21 we should do this, whether -- whether he used</p> <p>22 the word "due diligence" and -- I don't think</p> <p>23 he used such specific words as due diligence on</p> <p>24 Yukos Finance shares. I think he meant --</p> <p>25 yeah, try to do as much due diligence on this</p>	<p>1 But --</p> <p>2 Q. I'm --</p> <p>3 MR. PEES: You're trying move things</p> <p>4 along.</p> <p>5 Q. I'm trying to move things along, but</p> <p>6 I'm happy to break it up.</p> <p>7 If you would take a look at</p> <p>8 paragraphs 16, 17, and 18. And if there's</p> <p>9 anything in there that you wish to disagree</p> <p>10 with, that's the easiest way for me to do this.</p> <p>11 And we can...</p> <p>12 A. So I would -- so I -- I understand</p> <p>13 this and don't dispute it. I would point out</p> <p>14 that when Stephen says, I suggested that Bob</p> <p>15 work with the investment team to perform due</p> <p>16 diligence of the investment opportunity, he did</p> <p>17 not mean and would not have meant the sort of</p> <p>18 formal legal, financial, accounting due</p> <p>19 diligence that some in the room would interpret</p> <p>20 that as being.</p> <p>21 He -- but sort of bigger picture, due</p> <p>22 diligence, not getting into the -- the</p> <p>23 documents. He understood what I did and what I</p> <p>24 didn't do.</p> <p>25 Q. So take a look at paragraph 22 as</p>
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<p>1 asset as you can. But --</p> <p>2 Q. No. I understand. I think this</p> <p>3 may -- just so you have it.</p> <p>4 ---</p> <p>5 (Foresman Exhibit 29 was marked for</p> <p>6 identification.)</p> <p>7 ---</p> <p>8 Q. So what I've shown you, Mr. Foresman,</p> <p>9 is a affidavit that Mr. Jennings submitted to</p> <p>10 the Dutch court, eight years ago now. And in</p> <p>11 particular, I would direct your attention to</p> <p>12 paragraph 18. You don't need to read the whole</p> <p>13 thing, but that's -- 18 is where I'm going with</p> <p>14 this.</p> <p>15 And feel free to read as much as you</p> <p>16 need to in order to --</p> <p>17 A. Okay. Just -- I'll just start from</p> <p>18 16.</p> <p>19 Q. Sure.</p> <p>20 THE WITNESS: (Perusing document.)</p> <p>21 A. Okay.</p> <p>22 Q. So, I mean, is there anything in</p> <p>23 paragraphs 16, 17, and 18 of this that -- that</p> <p>24 you disagree with?</p> <p>25 MR. PEES: Objection. Compound.</p>	<p>1 well, please. He became a little bit more</p> <p>2 specific about what he meant by, in his</p> <p>3 words -- and I recognize that these are his</p> <p>4 words: "Rigorous due diligence on all aspects</p> <p>5 of the proposed transaction, as required by the</p> <p>6 Renaissance partners investment committee."</p> <p>7 A. Paragraph 22? I'm sorry?</p> <p>8 Q. Yes. Just because he -- he kind of</p> <p>9 took it up a notch and talked about rigorous</p> <p>10 due diligence on all aspects of the proposed</p> <p>11 transaction.</p> <p>12 So I -- I'm going to ask you if you</p> <p>13 would agree with that characterization.</p> <p>14 MR. PEES: In the first sentence of</p> <p>15 paragraph 22?</p> <p>16 MR. JACOBSON: Yes.</p> <p>17 THE WITNESS: (Perusing document.)</p> <p>18 A. So I would note he's referring to the</p> <p>19 team, not specifically to me. I would say that</p> <p>20 the -- I would say that the -- the due</p> <p>21 diligence that we performed was as rigorous as</p> <p>22 it could have almost possibly been, given the</p> <p>23 short time in which we did it.</p> <p>24 I believe that that due diligence was</p> <p>25 less than it would have been had we had a</p>

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<p>1 longer period of time.</p> <p>2 So the maximum -- we did the most</p> <p>3 rigorous -- I would have -- what I would say to</p> <p>4 you today is we performed the most rigorous due</p> <p>5 diligence possible, within the timeframe, but</p> <p>6 sufficient to make a positive decision about</p> <p>7 going forward.</p> <p>8 Q. Did the -- and I'm going to call it</p> <p>9 the due diligence team, but I'm not asking you</p> <p>10 to adopt that. I'm just going to -- for</p> <p>11 purposes of shorthand. Did anyone who was</p> <p>12 conducting this review speak to the former</p> <p>13 managers of Yukos Finance, in particular Dave</p> <p>14 Godfrey and Bruce Misamore?</p> <p>15 A. From the Renaissance investment team?</p> <p>16 Q. Yes.</p> <p>17 A. I don't recall someone from</p> <p>18 Renaissance speaking to David, no.</p> <p>19 Q. To your knowledge, did anyone else</p> <p>20 from --</p> <p>21 A. I'm sorry. I spoke to David but not</p> <p>22 about -- I spoke to David. Sorry. I spoke to</p> <p>23 David -- I spoke to Daniel Feldman. Sorry. I</p> <p>24 think Richard Deitz spoke to David, but I</p> <p>25 wouldn't say that was rigorous due diligence.</p>	<p>1 able to broker an agreement between Rosneft and</p> <p>2 some of these Yukos entities to settle claims,</p> <p>3 I guess, against Rosneft that the Yukos</p> <p>4 structures had.</p> <p>5 And Mr. Godfrey and Mr. Feldman and I</p> <p>6 had discussed whether there could be a</p> <p>7 possibility to wrap this into a broader</p> <p>8 settlement of the Yukos Finance B.V. saga.</p> <p>9 And that was something that I raised</p> <p>10 with Mr. Sechin at the dinner, but that dinner</p> <p>11 was not set up in order for me to discuss this</p> <p>12 topic with him.</p> <p>13 Q. What was Mr. Sechin's response to</p> <p>14 this?</p> <p>15 A. To work with Rashid to try to find an</p> <p>16 acceptable solution and keep him posted. He</p> <p>17 was eager to have a settlement involving</p> <p>18 Rosneft. But he wasn't the sort of person that</p> <p>19 you discuss the specifics with.</p> <p>20 Q. And what was the dinner set up for if</p> <p>21 it was not discuss the --</p> <p>22 A. It was a -- it was a social -- it was</p> <p>23 a social dinner that -- that Mr. Warnig had</p> <p>24 with -- Mr. Sechin. There may have been a</p> <p>25 couple other people that I didn't know. I --</p>
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<p>1 Q. And way earlier in the deposition, we</p> <p>2 talked about you having a meeting with</p> <p>3 Mr. Sechin to discuss a proposal that Mr. --</p> <p>4 that --</p> <p>5 A. Oh.</p> <p>6 Q. -- to discuss a proposal for</p> <p>7 Mr. Godfrey.</p> <p>8 What did you discuss with Mr. Sechin</p> <p>9 on that occasion?</p> <p>10 A. I don't recall the specifics other</p> <p>11 than that these were claims, I think, that were</p> <p>12 not related to Yukos Finance B.V. They were</p> <p>13 claims with other structures that Mr. Godfrey</p> <p>14 was involved with in the Yukos world, claims</p> <p>15 against Rosneft.</p> <p>16 And he had approached me about seeing</p> <p>17 if we could broker a deal with Rosneft for</p> <p>18 the -- to settle those claims.</p> <p>19 Q. Who -- I'm sorry. Too many pronouns.</p> <p>20 Who approached who?</p> <p>21 A. David approached me, as I recall,</p> <p>22 either directly or through Daniel Feldman or</p> <p>23 both to see whether, in principle, I and</p> <p>24 Renaissance Capital or I in my Renaissance</p> <p>25 capacity might be able to -- or interested and</p>	<p>1 or may have just been the three of us, and I'd</p> <p>2 never met Mr. Sechin other than shaking his</p> <p>3 hand at an IPO event.</p> <p>4 And so I was invited to -- to meet</p> <p>5 him, and I had wanted to express -- I wanted to</p> <p>6 get his personal sanction, so to speak, for</p> <p>7 these negotiations with Mr. Godfrey.</p> <p>8 Q. Do you know why that deal wasn't</p> <p>9 consummated?</p> <p>10 A. I think I knew it at the time. I --</p> <p>11 and I think it's probably in some of the</p> <p>12 documents. I think -- I think I do.</p> <p>13 Q. You think you -- you think you do?</p> <p>14 A. I think I -- I think I may.</p> <p>15 Q. And what's -- to the best of your</p> <p>16 recollection today, why didn't the deal come</p> <p>17 together?</p> <p>18 A. It's my own view. It may not be --</p> <p>19 Q. Sure.</p> <p>20 A. Mr. Lynch was also having some</p> <p>21 dialogue with Mr. Feldman, maybe with</p> <p>22 Mr. Godfrey, maybe with just Mr. Feldman, about</p> <p>23 this. And this I was only reminded of in the</p> <p>24 e-mails that I saw this week.</p> <p>25 And according to those e-mails,</p>

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<p>1 Mr. Feldman had said to Mr. Lynch that -- 2 something along the lines of, would -- do we 3 understand the consortium correctly that a 4 hundred-million-dollar return or a 5 hundred-million-dollar profit beyond the 6 consortium's investment amount, end of the 7 auction, you know, would that be sufficient to 8 settle all the claims? 9 And Stephen said, If it's -- if 10 that's the figure you're talking about, then -- 11 then we'll see you in court. And -- which I 12 then and now question. 13 Q. In 2007, do you know how many oil 14 pipelines flowed between Russia and Europe? 15 A. No. 16 I know of the Druzhba pipeline. 17 That's the main pipeline. 18 Q. And you're going to know more about 19 the pipeline than I do, and neither one of us 20 may know -- but the Druzhba pipeline split into 21 a southern branch and a northern branch; is 22 that your understanding? 23 A. I don't dispute it. I'm not -- I'm 24 not expert in that, but it sounds plausible. 25 Q. Did Transpetrol operate one of those</p>	<p>1 (Foresman Exhibit 30 was marked for 2 identification.) 3 --- 4 A. Do you want me to read it? 5 Q. Sure. I'm just going to say for the 6 record while you're doing that, this is a Dow 7 Jones report dated the 25th of February, 2005. 8 Keep reading. The first question I'm 9 going to ask is whether you've seen this news 10 report before. 11 THE WITNESS: (Perusing document.) 12 A. Okay. 13 Q. So have you seen this news report 14 before now? 15 A. I -- I don't recall. I don't rule 16 out that I've seen it. I -- I don't know if 17 I've seen it. 18 Q. Is it -- do you find it surprising 19 that Russian President Putin and the Slovakian 20 prime minister discussed who was going to end 21 up with the Transpetrol stake? 22 A. Not -- not particularly. 23 Q. So it -- is it fair to say that 24 the -- that the ownership of that Transpetrol 25 stake was sufficiently important to you that it</p>
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<p>1 branches? 2 A. I can't tell you. 3 I -- my understanding was that 4 Transpetrol operates the part of the Druzhba 5 pipeline that is on a territory of Slovakia. 6 That may be inaccurate, but that was my 7 understanding. 8 Q. Do you have an understanding about 9 the relative importance of the Druzhba pipeline 10 as a conduit of oil from Russia to Europe? Was 11 it very important? Was it slightly important? 12 A. So you said relative importance? 13 MR. PEES: Before -- before he 14 answers that, could we just spell the word 15 for -- 16 THE WITNESS: Druzhba? 17 MR. PEES: -- the benefit of the 18 court reporter. 19 A. Sorry. D-R-U-Z-H-B-A. 20 And could you -- I'm sorry. 21 Q. I'll withdraw it. 22 A. Okay. 23 Q. So I'm going to show you 25 -- I'm 24 sorry, not 32. Getting late. 25 ---</p>	<p>1 would come up in meetings between the Russian 2 president and the Slovakian prime minister? 3 A. To me? 4 Q. To you. In other words, I'm asking 5 you, is it surprising to you to learn that this 6 was -- it was so important to the countries of 7 Russian and Slovakia that the president and the 8 prime minister were talking about it? 9 A. I'm sorry. Yeah. I just -- yeah. 10 You had earlier said that it would come up with 11 me. 12 Q. No. I'm saying, is it surprising to 13 you that -- 14 A. No, it's not. No, it's not. No, 15 not. 16 Q. Because as we discussed earlier, the 17 Transpetrol pipeline is an important asset to 18 the Russian Federation and to Slovakia, I would 19 imagine. 20 A. Yes. Yes. 21 Q. Are you aware as to whether the 22 ownership of the former Yukos stake in 23 Transpetrol gives the owner managerial control 24 over the pipeline? 25 A. I don't know if I knew that or not.</p>

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<p>1 I -- at the time -- I may have at the time. I 2 certainly do not now. I thought that I had 3 a -- I -- I thought that -- my understanding 4 was that the Slovak government has the 5 controlling stake and has -- you said 6 "operating control"? 7 Q. Managerial control. 8 A. Yeah. I guess I wouldn't have 9 thought about what the -- the difference 10 between -- manager control -- yeah. Sorry. I 11 don't think I gave it great thought, as you can 12 see from my answer. 13 Q. And were you aware of whether the 14 Slovakian government had had any discussions 15 with the United States Government about 16 eventual control of the Yukos stake in 17 Transpetrol? 18 A. Am I aware now? 19 Q. Of -- are you aware -- were you aware 20 at the time, in 2007, of any discussions 21 between the Slovakian government and the United 22 States Government about the fate of the 23 Transpetrol stake? 24 A. I believe, to the best of my 25 recollection -- to the best of my recollection,</p>	<p>1 To the extent you can clarify whether 2 by diligence -- "your diligence," you're 3 referring to him personally, Renaissance 4 Capital, or the consortium. It might be -- 5 MR. JACOBSON: Let you get away with 6 the speaking -- 7 MR. PEES: I did not intend it as a 8 speaking objection. I was just trying to move 9 things along. 10 Q. So to your knowledge, did RenCap 11 study the geopolitical implications of the 12 ultimate fate of the Transpetrol stake when it 13 was deciding whether or not to engage in this 14 transaction? 15 A. To the best of my recollection, 16 Renaissance did not think about or think to 17 think about the geopolitical consequences, to 18 the best of my recollection, beyond what the -- 19 Renaissance had three days to consider this 20 asset in totality. 21 Transpetrol was a footnote to what 22 the consortium was interested in, but it had to 23 allocate some time to figuring out Transpetrol. 24 But it was a fraction of the time that 25 Renaissance spent, the entirety of which was</p>
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<p>1 the first that I had heard about the U.S. 2 Government having an interest in the fate of 3 Transpetrol when I was -- was when I was 4 approached by the American embassy in Moscow. 5 Q. If I showed you a news report from 6 November of 2006 describing a meeting between 7 the Slovakian prime minister and the United 8 States Government about Transpetrol, would that 9 surprise you? 10 A. It would -- it wouldn't surprise me. 11 I wasn't -- I didn't actively follow Slovak 12 news, so I don't think I would have seen it. 13 But it wouldn't surprise me. 14 Q. But it didn't come up in the 15 diligence that you were conducting about the 16 asset, any interest the United States -- any 17 interest -- I'm sorry. Sorry. Terrible 18 question. 19 To what extent did your diligence 20 about the Lot 19 assets focus on the political 21 implications of the fate of the Transpetrol 22 stake? 23 A. You mean the geopolitical? 24 Q. Yes. 25 MR. PEES: And -- objection.</p>	<p>1 only three days. 2 Renaissance, being an international 3 investment bank, was a -- a New Zealand 4 controlling shareholder based in Moscow, I 5 don't know that the first thought of 6 Renaissance would have been U.S.-related 7 geopolitical concerns, particularly within 8 those three days. And I don't recall having 9 had such a discussion. 10 Q. Was it a footnote in your thinking 11 because it was in the mind of you and the 12 others that the stake was going to end up in 13 the hands of the state-controlled entity? 14 A. No. No. That's not why it was a 15 footnote. It was a footnote because 16 Transpetrol had nothing to do with our 17 interests in Lot 19. It was a nuisance that we 18 had to -- that as a financial consortium that 19 was focused on settling claims between two big 20 players, GML and Rosneft, to free up some 21 frozen cash and potentially hopefully have some 22 sort of a surplus and settle the two things. 23 Transpetrol happened to be a part of 24 that lot and needed to be dealt with, but it 25 wasn't -- it was an afterthought that didn't,</p>

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1 as I think the record will show, prior to the
2 auction, didn't have -- it was not the focus of
3 our thesis. It was more how do we -- what do
4 we do with this asset.

5 Q. If you had believed that RenCap did
6 not have state support to participate in the
7 Lot 19 auction, would you have participated in
8 the Lot 19 auction?

9 MR. PEES: Objection.

10 A. I -- sorry.

11 We were not looking for state
12 support. We were looking for confirmation that
13 the -- to protagonists, which was GML and you
14 can say the Russian state for Rosneft -- I'll
15 allow that that can be the Russian state. It's
16 controlled by the Russian state, Rosneft, that
17 is -- that they wouldn't be -- that they
18 wouldn't view us as being hostile.

19 Support -- we weren't looking for
20 support from the Russian state. The only
21 support we were looking for from a Russian
22 state entity was to support our idea, because
23 of the reciprocal removal of attachments. We
24 weren't looking for political support.

25 Q. Was one of Rosneft's interests that

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1 take that off our hands to make it easier for
2 us to focus on the priority of the thing. And
3 they said -- sorry -- the priority of the --
4 the lot.

5 And they said, We can introduce you
6 to a buyer, but we're not interested. I'm not
7 aware of having given any thought or anyone in
8 the consortium having given any thought to the
9 importance of Transpetrol to Rosneft prior to
10 the auction.

11 Q. And we talked earlier about in
12 October 2008, so I recognize I'm now jumping
13 ahead some 14 months. You traveled to
14 Bratislava. I actually didn't ask you this
15 question. I said if you had conversations with
16 the Slovakian government.

17 In October 2008, did you travel to
18 Bratislava to discuss matters with the
19 Slovakian government?

20 A. I don't recall the -- but if that's
21 the date, I'll take it. I'll -- I don't have
22 the document in front of me, but I did travel
23 in 2008 to Bratislava. And October sounds
24 right, but I'd have to see the e-mail.

25 Q. I will show you a document in a

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1 would go into its granting or withholding of
2 that support or consent, or call it what you
3 will, was one of the considerations for Rosneft
4 the control the Transpetrol stake?

5 A. I never -- I -- you would have to ask
6 Rosneft. If you're asking my view about
7 Rosneft, to the best of my recollection, I
8 didn't give that any thought before the
9 auction, to the best of my recollection, about
10 Rosneft's -- in fact, my only discussions
11 that -- that -- the only discussions that I
12 recalled that the consortium had with Rosneft
13 prior to the auction was that they were not
14 interested in Rosneft.

15 Q. But they had a buyer for it?

16 A. But, again, to the best of my
17 recollection, you've got all these e-mails.
18 And maybe there's something -- maybe my memory
19 is foggy. It -- maybe it was a long time ago.

20 As I've testified to before, I
21 recall, because I was in the conversation, that
22 we sought to find -- we sought to -- again,
23 best of my recollection, we sought to find a
24 buyer for Rosneft -- for Transpetrol.

25 And we asked Rosneft if they would

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1 minute, but I'm not trying to trick you up.

2 A. No. I know.

3 Q. Did you meet with the Slovakian prime
4 minister?

5 A. I think I met with the economics
6 minister. I don't -- I don't -- I don't know
7 that I met the prime minister. I think it was
8 the economics minister.

9 Q. I wasn't sure if it was both. I
10 knew -- I knew -- I was going to ask you next
11 if you met with the economics minister. And
12 then -- so you did -- you did meet with the
13 economics minister?

14 A. I met with the economic -- I don't
15 recall -- I don't believe that the prime
16 minister was in the meeting. I believe it was
17 the minister of economics.

18 Q. And were you accompanied on this trip
19 by a gentleman by the name of Timur, T-I-M-U-R,
20 Ivanov, I-V-A-N-O-V?

21 A. Yes, Timur Ivanov.

22 Q. And what was Mr. Ivanov's position at
23 the time?

24 A. So relevant to that -- so he was
25 the -- I think it was called the co-chairman of

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<p>1 the Russian-Slovak business commission or 2 something, a bilateral Russian-Slovak business 3 group. 4 And an official at a Russian state 5 energy company called Atomstroyexport. Sorry. 6 A-T-O-M -- it's all one word, 7 A-T-O-M-S-T-R-O-Y-export. One word. 8 Q. Did Mr. Sharipov introduce you to 9 him? 10 A. I -- I can't recall whether 11 Mr. Sharipov introduced me to him or the 12 representative from Halebay. It may have been 13 Mr. Sharipov. I can't -- I can't recall. 14 Q. Did you -- were there any particular 15 representatives of Halebay that you met other 16 than Mr. Sharipov? 17 A. I didn't consider Mr. Sharipov a 18 representative of -- 19 Q. That's fair enough. So who did you 20 meet who you considered to be a representative 21 of Halebay? 22 A. Mr. -- sounds like "pigskin." 23 P-I-K -- 24 Q. S-I-N, I think. Pksin? 25 A. -- S-I-N. Sorry, not pigskin.</p>	<p>1 THE WITNESS: (Perusing document.) 2 A. Sorry. What is the -- this is 3 redacted? 4 Q. It was redacted by your side. This 5 was a document that was produced by -- by -- 6 A. No. 7 MR. PEES: No. Produced -- the Bates 8 number D reflects whom? Deitz? 9 MR. JACOBSON: Yeah. I was -- 10 A. Okay. 11 MR. JACOBSON: Your side of the "v." 12 A. I haven't seen -- 13 Q. Understood. But not my redactions. 14 A. Okay. 15 MR. JACOBSON: Which is a subject for 16 another day and another witness. 17 Q. Do you recall writing this e-mail in 18 October 2008? 19 A. Vaguely. I mean, I'm sure I did. I 20 didn't recall it until you showed it to me. 21 Q. So in the -- it's got the -- it says, 22 "Guys," and then there's paragraph under it 23 starting "Sorry," and then there's a paragraph 24 under that introduced by a couple of dashes. 25 When you say, "I was accompanied by a</p>
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<p>1 Pksin. So Pksin, he was the only person that 2 I ever recall having had a Halebay affiliation. 3 Q. So now I'll show that you document 4 that I was talking about. 5 --- 6 (Foresman Exhibit 31 was marked for 7 identification.) 8 --- 9 A. Can I read this? This is quite long. 10 Q. Of course. I'm going to want to talk 11 to you primarily about your magnum opus in the 12 middle. 13 A. Goodness. 14 Q. But we can -- I mean, it's -- I'm 15 going to have some specific questions for you 16 that I know will require you to read it in 17 context. And so it's -- the good news is it's 18 only -- it's a page and a half, because it 19 stops at the top of the third page. 20 A. The bad news is I haven't seen it. 21 So -- 22 Q. Okay. 23 A. -- I'll be reading it for the first 24 time now. 25 Q. Understood.</p>	<p>1 senior official of one of Russian's state-owned 2 companies that's active in Slovakia," and then 3 you describe them in other ways, is that 4 Mr. Ivanov? 5 A. Yes. 6 Q. By the way, where is Mr. Ivanov now? 7 Do you know? 8 A. I don't know. 9 Q. Do you have any current dealings with 10 him? 11 A. No, not for many years. 12 Q. Do you know why this e-mail was not 13 in your RenCap account? 14 MR. PEES: Objection. 15 A. I've no -- I had no access to my 16 RenCap account since 2009. 17 Q. You don't -- 18 A. I don't know that it's not in there. 19 You would have to -- 20 Q. But you don't have a recollection of 21 deleting it? 22 A. No, absolutely not, no. I sent it 23 the consortium. 24 Q. And then later on in that paragraph, 25 you -- your characterization was that</p>

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<p>1 Mr. Ivanov's presence was a clear signal to the 2 Slovaks that the Russian government recognizes 3 PNS as the legitimate owner of the 49 percent 4 stake, meaning Transpetrol, and that the 5 dialogue with the Russian side with respect to 6 the future sale of the stake to a Russian crude 7 supplier and, therefore, the security of the 8 crude supply going forward, is interlinked with 9 the Slovaks' handling of the PNS versus 10 Misamore situation. 11 A. Uh-huh. 12 Q. Nice little crude supply you got 13 here; shame if something happened to it? Was 14 that the intention of Mr. Ivanov's presence? 15 MR. PEES: Objection. 16 Q. In other words, what -- are you -- is 17 this saying that Mr. Ivanov was there to 18 threaten the government that if they didn't 19 resolve this dispute in your favor, something 20 might happen to their crude supply? 21 MR. PEES: Objection. 22 Q. You can answer. 23 A. As this note shows, the prime 24 minister's advisors or the minister of 25 economics had indicated to me that they wanted</p>	<p>1 And, therefore, the security of the 2 crude supply going forward is interlinked with 3 the Slovaks' handling of the PNS versus 4 Misamore situation. 5 A. Yeah. I'm not indicating that I -- 6 this is what I conveyed to the minister. I'm 7 indicating that the Russian -- that the 8 presence of the Russian official would convey 9 that. I'm not saying I said to the -- 10 Q. I didn't say you did. But his 11 presence there was meant to say, essentially, 12 nice little crude supply you got here; shame if 13 something happened to it. It's not my words. 14 MR. PEES: Objection to the form of 15 the question. 16 A. That's your words. That's your 17 words. 18 Q. Your words are that the -- that the 19 secure -- that his presence conveyed that the 20 security of the crude supply going forward is 21 interlinked with their handling of the PNS 22 versus Misamore situation. 23 MR. PEES: Objection to the form. 24 Q. A little bit later in this e-mail, 25 you said that we are -- I said that we are</p>
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<p>1 a Russian to own it. A Russian was going to 2 own it. They wanted to buy it first and sell 3 it to a Russian -- it had to be a Russian crude 4 supply owner. That's what -- that's what I was 5 told. 6 Our -- my point in meeting with the 7 minister was to explain that we are in 8 litigation in the Netherlands, and so we are a 9 relevant party. 10 As I stated in here, it wasn't to 11 lower the price. It wasn't to object to the 12 sale. It was to make sure that we were 13 considered relevant. 14 Q. But then how could the security of 15 the crude supply going forward be interlinked 16 with the Slovaks' handling of the PNS versus 17 Misamore situation? 18 A. Sorry. Point that out again to me. 19 Q. The end of -- the end of that first 20 bulleted, dashed paragraph. 21 His presence was to -- a clear signal 22 to the Slovaks that the Russian government 23 recognizes PNS as the legitimate owner of the 24 49 percent stake. 25 And then skipping a bit.</p>	<p>1 aware that the Slovaks are in direct talks with 2 Misamore on purchasing the stake, we believe, 3 for around 260 million. How did you come by 4 that knowledge? 5 A. I think it was in the media. 6 I think -- I think I saw something in 7 your production. I think there was a -- wasn't 8 there a press article? Or was I -- 9 Q. I'm asking you for your best 10 recollection. 11 A. Well, I'm not -- I don't recall. I 12 thought -- I thought we got it from a press 13 article or then we must have -- if we didn't 14 get it from the media, then we would have 15 gotten it from some other party, whether 16 through the Dutch process or through -- through 17 somebody in Moscow. 18 I don't know how we came to know 19 that, but I -- or maybe we came to know it from 20 the press subsequently. I'm not sure how we 21 came to know it, but we came to -- I think we 22 were right. I thought I recalled seeing some 23 documents that you produced that referred to 24 that. I don't have them with me. 25 Q. Did you make an offer to the</p>

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<p>1 Slovaks that the Russian government would 2 help them find an ultimate owner for this -- 3 for the Transpetrol stake, help the Slovakian 4 government? 5 A. I don't recall -- if I could read 6 the -- 7 Q. Sure. 8 A. -- memo again. If it's mentioned in 9 here -- 10 Q. It is. It's -- it's -- it's -- if 11 you look on the second page after the 12 redactions, go one, two, three, four paragraphs 13 down, starting, "He said that for important 14 political reasons." 15 A. Okay. 16 THE WITNESS: (Perusing document.) 17 A. Okay. So the question? I'm sorry. 18 Q. So it said, did you -- it said, "He 19 said this in response to my offer, which the 20 Russians asked me to state, to help the Slovaks 21 find the ultimate Russian buyer, in the event 22 that the government would prefer not to fund 23 the purchase itself." 24 So to unpack that, did you make an 25 offer to the Slovaks to help them find an</p>	<p>1 A. Yes. 2 Q. Good friends? I mean, how would you 3 describe your relationship? 4 A. Not particularly close. We were 5 friendly. We were neighbors. We played 6 basketball together. We -- I think I may have 7 coached his kids. We sometimes would walk dogs 8 together. So good -- friends. But not someone 9 I'm in touch with now, for example. 10 MR. JACOBSON: I'll ask the court 11 reporter to mark a document. 12 --- 13 (Foresman Exhibit 32 was marked for 14 identification.) 15 --- 16 Q. This one is nice and short. 17 A. Uh-huh. 18 Q. So he asked to speak to you about an 19 effort for a negotiated settlement related to 20 Transpetrol. Do you know what he meant by 21 that? 22 And just for the record, this is an 23 e-mail dated the 23rd of October, 2007. 24 A. So what I recall -- sorry. Can you 25 repeat your question.</p>
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<p>1 ultimate buyer for the stake? 2 A. According to this, I did. I don't 3 recall doing that. The entirety of my 4 recollection of that meeting consists in this 5 memo that I'm reading right now for the first 6 time in ten years. I don't have reason to 7 believe that I was misrepresenting anything to 8 my consortium partners or would have any reason 9 to. So I take it to be accurate, but it's not 10 a -- it's not meant to be a transcript of my 11 meeting with the minister. 12 But I take it -- I take it to be 13 accurate. 14 Q. Do you know a person by the name of 15 Ali, A-L-I, Jalili, J-A-L-I-L-I? 16 A. "Ali." 17 Q. Ali; is that right? 18 A. Yes. Yes. 19 Q. And you know him? 20 A. Uh-huh. 21 Q. Is the oil and -- was he the oil and 22 gas officer in the economics section of the 23 U.S. embassy in Moscow? 24 A. That was his official title, yeah. 25 Q. Were you and Mr. Jalili friends?</p>	<p>1 Q. I said, Do you know what he meant 2 when he said he wanted to speak to you about an 3 effort for negotiated settlement related to 4 Transpetrol? 5 A. Well, I remember what we discussed. 6 I -- I don't know if I found out, and I 7 certainly don't remember now -- 8 Q. Totally fair. What do you remember 9 discussing? 10 A. So as I recall, he -- he asked to get 11 together with me, so we ended up walking the 12 dogs maybe that evening in our neighborhood. 13 And he said that the -- as I recall, 14 the American ambassador in Slovakia -- to 15 Slovakia would like to meet with me to discuss 16 Transpetrol. 17 And I said, I'm an American citizen 18 in Moscow. If my government would like to -- 19 he wanted me to go to Bratislava. And I said, 20 I'm an American in Moscow. If my government 21 would like to discuss something with me, then 22 my -- then the American ambassador in Moscow 23 should -- whom I know -- should reach out to me 24 directly. 25 I said, This is -- I got the oil and</p>

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<p>1 gas guy in Moscow who is telling me that the 2 American ambassador in Slovakia -- I said, I am 3 happy to sit down and meet with the American 4 ambassador in Moscow, but I -- I feel that's 5 most appropriate. 6 Q. And did your -- in his e-mail, he 7 said there is an aspect which is 8 time-sensitive. In your discussion with him, 9 did he mention any time sensitivity? 10 A. He may have. I don't -- I don't 11 recall -- I don't recall if he did or what 12 that -- what that would have been. 13 Q. There's a reference to Pokrovsky, 14 P-O-K-R-O-V-S-K-Y. What was Pokrovsky? 15 A. That was our neighborhood. 16 Q. I figured it was -- when you said the 17 dog walk, I figured it was going to be 18 something like that. 19 A. Pokrovsky Hills is the neighborhood. 20 Q. Have you had contact with Renaissance 21 since the London proceedings against you 22 started? 23 A. What you would define as when I was 24 served, when I was enjoined as a defendant? 25 Q. Yes.</p>	<p>1 THE COURT REPORTER: I'm sorry. With 2 regard to -- 3 Q. -- the litigation, you've covered the 4 field? 5 A. Well, let me -- maybe I should take a 6 minute to think about that so that I don't 7 misrepresent this. 8 Q. Sure. 9 A. Certainly to my recollection, 10 that's -- so -- when I was served -- well, 11 discussions that I didn't address that I said 12 or where I was -- 13 Q. But you -- 14 A. -- advised. 15 MR. PEES: He's not looking to invade 16 the privilege. 17 Q. No, no. I know. We're on the same 18 page. 19 A. I'm just trying to remember -- 20 Q. So with whom have you spoken at 21 Renaissance about the proceedings since they 22 started against you? 23 A. So Chris Charlier -- Charlie but with 24 an R on the end, Chris Charlier, who is, I 25 guess, again, the chairman of Renaissance</p>
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<p>1 A. Yes. 2 Q. When -- when have you had 3 conversations with Renaissance since then? 4 A. After I was served -- so at the end 5 of 2016 to try to sort out legal costs and 6 coverage. And then subsequent to that, earlier 7 this year, I'm not sure about last year, but 8 earlier -- well, and mechanical things like 9 getting old employment contracts and things 10 like that. 11 And then earlier this year, with 12 respect to some matters that my legal counsel 13 was working with me on. 14 Q. I mean, is that the extent of your 15 conversations -- any other conversations with 16 Renaissance besides what you've just described 17 since the -- you became a -- you were served 18 with the proceedings? 19 A. Well, some business -- some 20 discussions with Renaissance unrelated to any 21 of this stuff, because they're still a player, 22 not like they were, but they're still a player 23 in Moscow, and I -- as am I. 24 Q. But with regard to the litigation, 25 you've covered the field?</p>	<p>1 Capital. And Anthony Simone, with a -- Simon 2 with an E at the end, who is the -- I think he 3 is called the president. 4 And I think some e-mails with people 5 like in HR, legal about my contracts or about 6 the policy that -- names I don't recall. 7 That was it. 8 Q. Have you spoken with any of the 9 owners of Renaissance about this matter or 10 representatives of the owners? 11 A. Could you define who you mean by 12 that? Sorry. 13 Q. Mr. Prokhorov, for example? 14 A. I've not spoken to Mr. Prokhorov. 15 Q. Or any representatives for him? 16 A. I spoke to somebody who is not a 17 representative of his, but someone that knows 18 him. But I don't know that I'd call this 19 person a representative. And that would be 20 about matters that I discussed with my legal 21 counsel. 22 Q. And we're going to talk about your -- 23 your conversations with Mr. Simone. 24 Just to try to move things along. 25 Tell me everything you can remember that you</p>

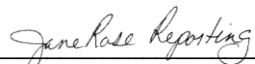

<p style="text-align: right;">Page 281</p> <p>1 discussed with Mr. Simone about this case since 2 you've been enjoined in the proceedings. 3 A. So the first part, which -- first 4 part was contacting -- I believe was contacting 5 him and saying, I've been served. I need 6 Renaissance to stand behind me, in terms of 7 legal stuff, legal bills or policy -- insurance 8 coverage. And he helped to direct the -- the 9 RenCap machine, to sort out some of those 10 matters. And then the -- all the other 11 discussions I had with them were specific to 12 these matters that I had been discussing with 13 my -- my legal counsel. 14 Q. What's the most recent time you can 15 remember that you spoke with Mr. Simone? 16 A. This past spring. I believe April, 17 2013. 18 May have been May, but I think it was 19 April. 20 Q. And the person you mentioned who was 21 maybe sort of a representative of 22 Mr. Prokhorov, who was that? 23 A. Let me -- it was a woman. 24 Ellen Pinchuk. 25 Pinchuk.</p>	<p style="text-align: right;">Page 283</p> <p>1 voluntarily? 2 A. Yes. 3 Q. And what did -- what did he tell you? 4 A. Both. 5 Q. Can you explain that, please? 6 A. He's -- 7 Q. It's a conversation between you and 8 him, so it's -- 9 A. Yeah. He told me that Renaissance 10 did not provide those e-mails; does not -- was 11 not aware of such e-mails ever having been 12 provided; and did not authorize it. Had no 13 involvement whatsoever. 14 And then after a flurry of activity, 15 he said, Our current position is that we 16 voluntarily provided those e-mails. 17 MR. JACOBSON: So what I would like 18 to do, Mr. Pees, if that's okay with you, is 19 take a break. I've got to consult with my 20 colleagues. And we may be in the last -- 21 Completely illegible. 22 MR. PEES: Want to use the break to 23 read Mr. O'Sullivan's note? And then we can 24 determine whether -- 25 THE VIDEOGRAPHER: Okay. We're going</p>
<p style="text-align: right;">Page 282</p> <p>1 Q. So, again, I don't want to -- 2 Mr. Pees is exactly right; I don't want to 3 intrude on any of the conversations you've had 4 with any lawyers. However -- period, new 5 sentence. 6 Have you had any conversations with 7 Mr. Simone, about the e-mail cache that my 8 clients have obtained? 9 A. Yes. 10 Q. And so when you mentioned the -- I'm 11 going to do this carefully, Mr. Pees, and I'm 12 going to do my best and object if you have to. 13 When you just mentioned that you had had 14 conversations with Mr. Simone that were the 15 subject of matters you've been talking about 16 with your lawyers, was that one of those 17 matters? 18 A. That was the matter. 19 MR. JACOBSON: I thought I -- I 20 thought I did that okay. 21 MR. PEES: That was good. 22 Q. And, again, I'm pretty sure I can ask 23 this, but your lawyer will tell me if I can't: 24 Has Mr. Simone -- did Mr. Simone tell you that 25 RenCap did or did not provide those e-mails</p>	<p style="text-align: right;">Page 284</p> <p>1 off the record at 3:58 p.m. This marks the end 2 of Media 5. 3 (Recess from 3:58 to 4:10.) 4 THE VIDEOGRAPHER: We are back on the 5 record at 4:10 p.m. This marks the beginning 6 of Media 6. 7 Q. So, Mr. Foresman, right before we 8 broke, we were talking about your last 9 conversation with Mr. Simone, speaking of the 10 conversation where he told you that, after 11 further review, the e-mails were provided with 12 his permission. 13 To the best of your -- and I don't 14 mean to -- testimony speaks for itself. I'm 15 not trying to characterize it. But to the best 16 of your recollection, when did that call occur? 17 A. To the best of my recollection, in 18 April, maybe May, but I think April of this 19 year. 20 Q. And was that -- 21 A. Second half of April or in May. 22 Q. And was that the most recent 23 conversation you've had with Mr. Simone on any 24 subject? 25 A. I think that's the last conversation</p>

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<p>1 I'll have with Mr. Simone on any subject. 2 Q. And was it a call or a meeting? 3 A. It was a phone call. 4 Q. Do you ever record your phone calls? 5 A. Not -- not deliberately, no. If I'm 6 on the trading floor, the -- the phones are 7 recorded, but I don't record my phones -- 8 Q. And have -- 9 A. -- my phone calls. 10 Q. In all of the course of over the past 11 ten years of dealings with all manner of people 12 about Lot 19, have you ever recorded a phone 13 call with someone you were speaking with about 14 Lot 19 or the aftermath? 15 A. I've never in my life recorded a 16 phone call with anybody about anything. 17 Not counting my firm having -- 18 Q. Understood. 19 A. -- trading floor calls recorded. 20 Q. And we had talked before about 21 Mr. Feldman. 22 Do you have any ongoing discussions 23 with Mr. Feldman? 24 A. Discussions or -- yes. 25 Q. Any contact.</p>	<p>1 A. No, I don't believe so. Not to my 2 recollection. No, sir. 3 Q. So the trip to Bratislava, at whose 4 behest was that trip made? 5 A. I could probably figure it out from 6 all the e-mails at some point. 7 I can't recall whether I wanted to go 8 to Slovakia to make sure that they saw that PNS 9 was relevant, or whether the -- someone on 10 the -- on the Russian side asked me to go. It 11 was one of those two things. I'm not -- I'm 12 not sure which. But I think it's somewhere in 13 the correspondence. 14 Q. When the U.S. embassy official asked 15 you to go to Slovakia, there was a flat no; but 16 you then went later, possibly at the behest of 17 the Russian side. 18 Is there a reason why you were more 19 willing to go to Slovakia for one than the 20 other? 21 A. Yes. 22 MR. PEES: Objection. 23 You can answer. 24 Q. What was the reason? 25 A. First, I would not characterize my</p>
Page 286	Page 288
<p>1 A. Relationship, yes. 2 Q. And is Mr. Feldman working with 3 Promneftstroy? 4 A. Not that I'm aware of. 5 Q. And what are your -- what are your 6 ongoing dealings -- 7 A. I'm not working with Promneftstroy, I 8 should point out. 9 Q. Understood. 10 A. But to the best of my knowledge -- 11 well, I don't know if he's working with 12 Promneftstroy. I -- I -- 13 Q. And your -- your dealings with him, 14 what do they concern? 15 A. They -- family, friends, blockchain 16 technology, cryptocurrency, stuff, geopolitics, 17 life, jobs, sports, kids. 18 Q. And that was one question I wanted to 19 ask. 20 With regard to conversations with 21 Mr. Simone, again, I'm not asking for any 22 communications that you've had with your 23 lawyers. But to your knowledge, have your 24 lawyers had communications with Mr. Simone, 25 subsequent to your last conversation with him?</p>	<p>1 response to the question about -- to the 2 request to meet the American ambassador to 3 Slovakia as a flat rejection. My proposal was, 4 I'm happy to speak to my government. I am an 5 American citizen living in Moscow. The 6 American ambassador in Moscow knows me. I am 7 happy to meet to him if the government would 8 like to convey something to me, number 1. 9 Number 2, we had 310, or somewhere 10 about, million-dollar exposure, that 11 Transpetrol was a part of. We had -- I had a 12 fiduciary responsibility, as an officer of 13 Renaissance Capital. We had reputational, 14 legal obligations toward nominated buyer. 15 And representations to -- to Rosneft 16 about the settlement and all these things. And 17 I had a very clear commercial objective to make 18 sure that our interests were considered in 19 Slovakia. 20 Q. So we turned back to Exhibit 31, 21 which is the -- your summary of the Bratislava 22 meeting. Just want to ask a couple last 23 questions about it. 24 So the first question I want to ask 25 concerns -- there's a paragraph -- the page</p>

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<p>1 with the redactions on it at the very bottom, 2 there's a paragraph that starts with two 3 asterisks and then two dashes. 4 A. Uh-huh. 5 Q. Okay. 6 A. Can I just read that one? 7 Q. Sure. 8 THE WITNESS: (Perusing document.) 9 A. Okay. 10 Q. So, I mean, the -- the statement that 11 I added the U.S. ambassador to Slovakia tried 12 to approach me last fall about Transpetrol but 13 we considered such channel was not appropriate 14 and that this is a commercial matter that we 15 should continue to handle as such, is that 16 consistent with the idea that you thought that 17 if the government wanted to talk to you, it 18 should come from the U.S. ambassador in Moscow? 19 A. I understand that to be the same -- 20 the same effect, the same data point, yes. 21 Q. And it just -- a moment ago you said 22 that you had -- you made this trip partly 23 because you had obligations to the nominated 24 buyer. In your mind, what obligations did you 25 have to the nominated buyer?</p>	<p>1 to the consortium's benefit if Mr. Misamore had 2 sold Transpetrol for \$155 million more than the 3 option agreement to Halebay? 4 A. So, as I recall, if the consortium -- 5 if we had removed the attachments -- let me 6 rephrase that. 7 If we were determined to be the 8 rightful owner of Yukos Finance B.V. and had 9 the ability to collect the proceeds from such 10 sale, then the consortium's interests 11 absolutely would have been to take the 260, or 12 whatever it was, versus the 105 even though 13 that would have meant that we'd have to early 14 repay -- I'd take that trade any day, repay a 15 \$60 million loan -- 16 Q. To get 155 now. 17 A. But two problems. One, we'd have to 18 repay that \$60 million loan without any 19 visibility that we would ever see any of that 20 155 delta, whatever it was. 21 And two, that the broader point here 22 wasn't -- and my recollection wasn't specific 23 to Transpetrol. It was we believed that we 24 were the -- that the consortium was the 25 rightful owner of Yukos Finance B.V. and it was</p>
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<p>1 A. Well, to be more exact, I mentioned, 2 in response to your question as to why I 3 rejected the offer from the American ambassador 4 in Slovakia to fly to Bratislava but was ready 5 to go to Bratislava with respect to this. 6 Q. Correct. 7 A. And I said that we had -- we had 8 commercial interests, and we had liabilities. 9 We had a loan liability outstanding to Halebay 10 which become due and payable if it was sold to 11 a nonparty. And we had an option agreement 12 with them. 13 But most particularly, if this sale 14 to Mr. Misamore was negotiating -- was 15 concluded, was completed, as I understand it 16 was, I think my understanding at the time and I 17 think now, as well, was that our \$60 million 18 loan to Halebay, would become immediately due 19 and payable. And my firm was bleeding from the 20 financial crisis. 21 Q. What would have -- so I think I know 22 your answer to this, but had Mr. Misamore 23 concluded the sale for \$260 million, would that 24 not have been -- understanding the -- the loan 25 issue, but would that not ultimately have been</p>	<p>1 in litigation in the Netherlands and remains, 2 as I understand, somehow in litigation. 3 And I believe we found it -- we felt 4 that it was important that we be seen, 5 including by the Dutch courts, to be doing what 6 an entity that believed it was the rightful 7 owner would be doing in such a case, which is 8 protecting its interests and making sure that 9 no sale is negotiated without our involvement, 10 as I see in my memo but didn't remember until 11 today in this memo about Transpetrol. 12 I recall at the end -- and I'm too 13 tired to put my glasses on to read it, but that 14 I said -- and this is to my consortium 15 partners -- that we would be happy to have the 16 sale go forward for \$260 million. That would 17 be great. But we should be in the room. And 18 they should see that, yes, this is possible, 19 maybe not; maybe the court will finally 20 judicially determine in the Netherlands that 21 we're not the rightful owner. 22 But at that point, there was still 23 a -- there was still litigation, and we might 24 be. And we're, therefore, one of the two 25 parties in there. One of the two is going to</p>

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<p>1 be deemed to be the owner, maybe us, maybe the 2 other. That's what we were doing. 3 Q. So the last couple of questions I 4 want to ask, same page of the document, but all 5 the way up at the top. 6 The sentence that I want to focus on 7 is the one after the colon in the first 8 paragraph, the top of this: "Buy it like this, 9 and you carry a lot of risks, including the 10 risk that the Russians won't reach agreement 11 with you on the crude supply." 12 MR. PEES: Mr. Jacobson, you lost me. 13 MR. JACOBSON: So this is -- 14 MR. KROLEWSKI: Trying to find where 15 you are in the document. 16 MR. JACOBSON: This is the page with 17 the redactions on it, Mr. Pees. And then up at 18 the top, second line -- second line down from 19 the top in the middle of the -- 20 MR. PEES: Okay. 21 Apologize for the interruption. 22 MR. JACOBSON: No. Of course. 23 Q. So, I mean, this is -- this is 24 similar to the passage we talked about earlier, 25 but --</p>	<p>1 veiled threat like that. 2 So -- but -- yeah, the point I was 3 making was that if they -- that we didn't 4 object to the sale; but if we weren't involved 5 in the sale, then they would just be taking on 6 legal risks because -- include both potential 7 owners and then -- you know. 8 Q. But I didn't say that you said it. I 9 said that a message was conveyed by Mr. -- and 10 they took away a message by Mr. Ivanov's 11 presence that if they don't -- if they, quote, 12 buy it like this, they carry the risk that the 13 Russians won't reach agreement with them on a 14 crude supply. 15 And that's your summary of the 16 message they took from his presence with you. 17 Is that accurate or not? 18 A. No. That's not -- you're -- sorry. 19 What you just said was not accurate. 20 Q. So this -- so how do you read that 21 sentence differently than I just did? 22 A. Sorry. You -- Mr. Jacobson, you 23 combined the lower paragraph, talking about 24 Mr. Ivanov's presence, at the bottom of the 25 page.</p>
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<p>1 A. Do you mind if I just read this? 2 Q. Take your time. 3 A. I want to read this -- 4 Q. Take your time. 5 A. -- section. 6 THE WITNESS: (Perusing document.) 7 A. Okay. 8 Q. So this was just a second time in 9 your e-mail where you said that the message had 10 been clearly conveyed that if they don't 11 consider your interests, the Russian crude 12 supply is at risk. 13 Is that an accurate -- was it your 14 intention to convey that message to the 15 Slovakian officials? 16 A. No. And for anybody who's ever spent 17 any time with me in any meeting, let alone with 18 a government official, I don't make threats 19 like that. I'm a diplomatic person. 20 I may have been -- sound a little 21 bit -- little bit tough with my consortium 22 partners, that I was in there defending our 23 interests. I would never -- and anybody who 24 was in the room with me, and you can ask the 25 Slovaks, would never have -- have made like a</p>	<p>1 Q. I -- the minister understood the 2 message. 3 A. Sorry. But when I made reference 4 to -- Mr. Ivanov's presence, made clear, that 5 was in the lower paragraph. Up here I'm 6 talking about I conveyed to the minister with 7 my words. 8 Q. Okay. But the minister understood 9 the message. 10 A. Yes. 11 Q. Was there a message communicated by 12 word or deed: Buy it like this, and you run 13 the risk that the Russians will not reach 14 agreement with you on the crude supply? 15 A. Let me look at it again. 16 So I believe the message was clear 17 that they would minimize or eliminate their 18 risks if we were in the room during the 19 negotiation, to which we wouldn't object. 20 Q. Including the risk that the Russians 21 would not reach agreement with them on the 22 crude supply? 23 A. I don't -- I -- I do not recall and 24 don't see -- don't believe that I would have 25 made a veiled threat like that. I referred</p>

<p style="text-align: right;">Page 297</p> <p>1 here to reading between the lines. That may 2 have been just the way I presented it to the 3 consortium partners. 4 MR. JACOBSON: All right. So, 5 Mr. Pees, subject to... 6 I'm told I need a break because I 7 have one more document that we want to show 8 you. So we just need to -- 9 MR. PEES: Why don't we stay mic'ed 10 up. And, Mr. O'Sullivan, you will step into 11 the hallway, whatever you need, for a couple 12 minutes. 13 MR. JACOBSON: He's just getting a 14 document. 15 MR. PEES: Oh, I see. 16 MR. JACOBSON: He's printing. That's 17 all it is. It's not -- it's just that we are 18 waiting -- we are waiting for the arrival of 19 the document. 20 MR. PEES: While we are waiting for 21 the arrival of the document, do you want to -- 22 MR. JACOBSON: Yeah. I was just 23 going to -- it's the -- from our perspective, 24 the questions that Mr. Foresman refused to 25 answer are -- are relevant to us. And we</p>	<p style="text-align: right;">Page 299</p> <p>1 THE VIDEOGRAPHER: We are going off 2 the record at 4:28 p.m. 3 (Discussion off the record.) 4 --- 5 (Foresman Exhibit 33 was marked for 6 identification.) 7 --- 8 THE VIDEOGRAPHER: We are back on the 9 record at 4:31 p.m. 10 Q. Mr. Foresman, I've just handed you a 11 document which is an e-mail from you dated 12 August 18th, 2008. 13 And the reason why I've shown this to 14 you is because it -- it seems to reflect that 15 you recorded conversations with Mr. Feldman. 16 So is that what this document 17 reflects? 18 THE WITNESS: (Perusing document.) 19 A. Okay. Yeah. 20 Q. So did you write up a transcript of 21 your conversations with Mr. Feldman? 22 A. According to this, I -- I hadn't seen 23 this. I haven't seen this -- I wrote up a 24 transcript. 25 Q. And --</p>
<p style="text-align: right;">Page 298</p> <p>1 intend to make an application to the Court. 2 And for that reason, when we 3 conclude, I consider the deposition not closed 4 for that reason, subject to an application to 5 the Court. And I -- you will respond to that 6 application if we make it. 7 MR. PEES: Certainly. If you feel 8 the need to meet and confer prior to making the 9 application, which I think -- 10 MR. JACOBSON: I think our course of 11 dealing would call for that even if the court 12 rules that. And so -- but -- but I'm -- I'm 13 merely stating for the record that we're 14 holding the deposition open for that purpose. 15 But -- 16 MR. PEES: Understood. Understood. 17 So we'll just remain in a holding pattern while 18 the photocopy machine does its business. 19 Mr. Jacobson, would it actually be 20 helpful if we went off the record so that the 21 court reporter could get some spellings squared 22 away? 23 MR. JACOBSON: That's a very good 24 idea. 25 MR. PEES: So -- okay.</p>	<p style="text-align: right;">Page 300</p> <p>1 A. I wrote up a transcript. Okay. 2 Having done that, I see I 3 misrepresented when we talk about Frank -- 4 MR. PEES: Just -- 5 THE WITNESS: Sorry. Sorry. Sorry. 6 MR. PEES: Don't need to read it 7 aloud. 8 A. I won't read it. Sorry. I'll just 9 take a moment and read it through and then 10 answer questions about it. 11 THE WITNESS: (Perusing document.) 12 A. Okay. Yup. 13 Q. And there's a -- the parenthetical at 14 the end of that first paragraph is, "I have the 15 original recording as well." 16 A. Yeah. Okay. Yes. 17 Q. So does this refresh your 18 recollection as to whether you recorded calls 19 with Mr. Feldman? 20 A. So as someone who's never recorded 21 a -- never remembered recording a phone call, 22 because I've -- that's not what I do -- and I 23 know there's people in the room that do -- this 24 must have been an exception. Probably because 25 of some of the things that we faced from</p>

<p style="text-align: right;">Page 301</p> <p>1 Mr. Feldman and his partners, I felt we needed 2 to -- someone felt I needed to record the call, 3 as we had understood they had done with us in 4 the past. 5 So this would have been an exception, 6 and I acknowledge that that's what I wrote. 7 And I confirm that I had, prior to receiving 8 this, had no recollection of ever having 9 recorded anybody. And this seems to have been 10 an exception. 11 Q. Do you still have the recording 12 that's referred to in this message? 13 A. No. I -- I -- if I did have a 14 recording, I don't know what -- depending on 15 what year that was, maybe a phone -- no. I 16 didn't -- I wasn't even aware of the recording 17 until seeing this. 18 Q. Do you still have the transcript 19 that's referred to in this document? 20 A. I don't have any documents that -- 21 that -- in the -- except documents that we 22 produced related to Yukos Finance or this. 23 MR. JACOBSON: Okay. So subject to 24 the discussion that I had with your counsel a 25 few moments ago, thank you for your time.</p>	<p style="text-align: right;">Page 303</p> <p style="text-align: center;">C E R T I F I C A T E</p> <p>1 2 3 STATE OF NEW YORK) 4) Ss.: 5 COUNTY OF NEW YORK) 6 I JEFFREY BENZ, a Certified Realtime 7 Reporter, Registered Merit Reporter and Notary 8 Public within and for the State of New York, do 9 hereby certify: 10 That the witness whose examination is 11 hereinbefore set forth was duly sworn by me and 12 that this transcript of such examination is a 13 true record of the testimony given by such 14 witness. 15 I further certify that I am not related to 16 any of the parties to this action by blood or 17 marriage and that I am in no way interested in 18 the outcome of this matter. 19 IN WITNESS WHEREOF, I have hereunto set my 20 hand this 5th day of December, 2018. 21  22 JEFFREY BENZ, CRR, RMR  23 24 25</p>
<p style="text-align: right;">Page 302</p> <p>1 MR. PEES: Thank you. 2 THE VIDEOGRAPHER: Okay. This 3 concludes the testimony of Robert Foresman. We 4 are going off the record at 4:34 p.m. This 5 also concludes Media 6. 6 (Time noted: 4:34 p.m.) 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 304</p> <p style="text-align: center;">I N S T R U C T I O N S F O R E R R A T A</p> <p>1 2 3 4 NOTARY PUBLIC SIGNATURE 5 Not required unless agreed upon by counsel 6 that notary public signature is required. 7 8 9 10 Please return a copy of the signed errata within 11 30 days of receipt, unless otherwise agreed upon 12 by counsel. Once we receive one signed errata, we 13 will distribute an electronic copy to all parties. 14 15 16 RETURN A SIGNED COPY VIA FAX, EMAIL OR MAIL TO: 17 FAX: 1-800-825-9055 18 EMAIL: janerose@janerosereporting.com 19 20 Jane Rose Reporting 21 Administrative Offices 22 309 South Main Street 23 Luck, WI 54853 24 25</p>

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NOTICE TO READ AND SIGN

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This transcript was electronically distributed to

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Akin Gump Strauss Hauer & Feld LLP to forward to

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the witness.

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ACKNOWLEDGMENT OF THE DEPONENT

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10

I, ROBERT FORESMAN, do hereby certify that I

11

have read the foregoing pages and that the same is

12

a correct transcription of the answers given by me

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to the questions therein propounded, except for

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the corrections or changes in form or substance,

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if any, noted in the attached Errata Sheet.

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(DATE) ROBERT FORESMAN

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Signed and subscribed to before me this

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_____ day of _____, 2018.

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Notary Public

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